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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIV, no.1

Section 1

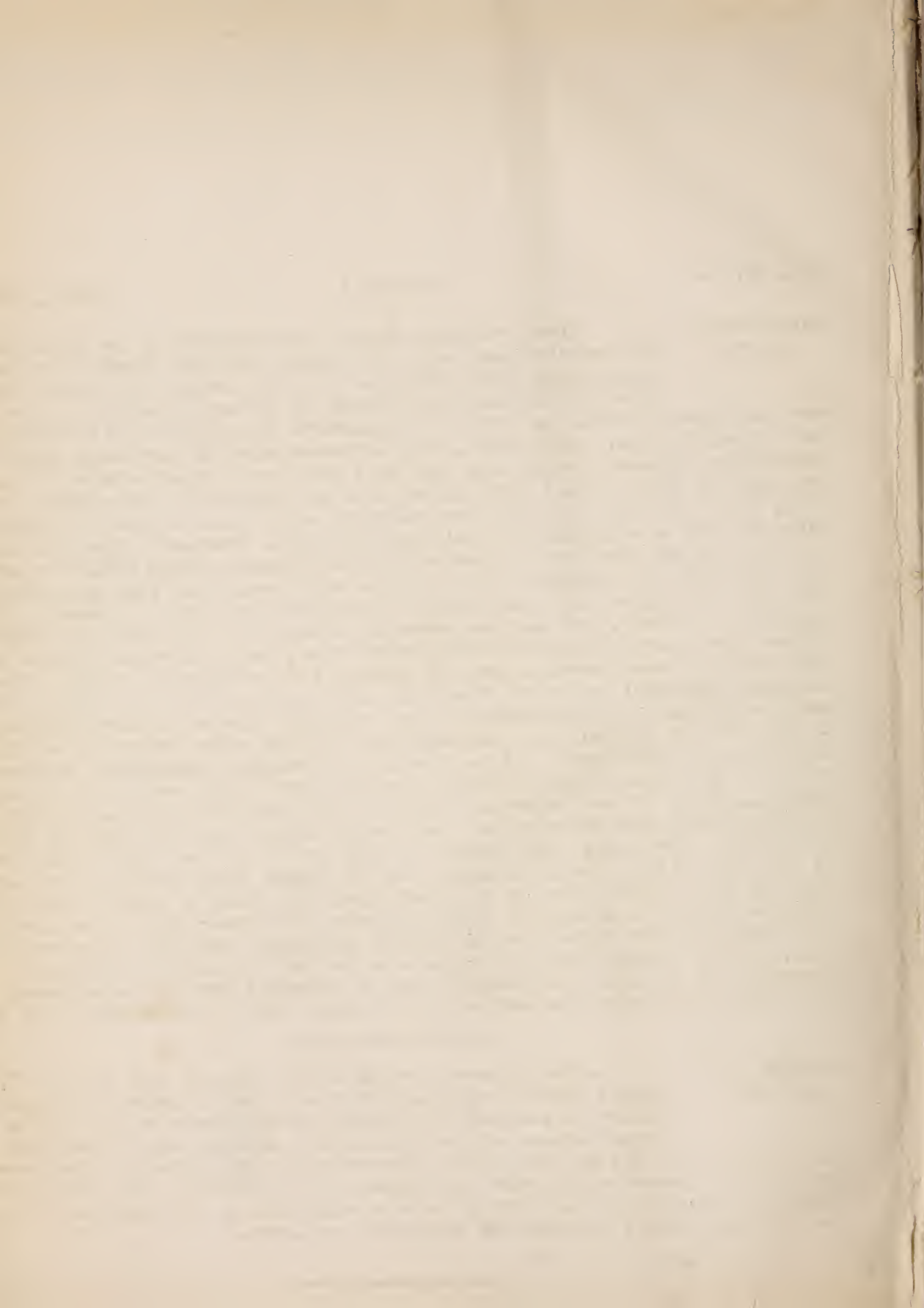
July 1, 1924.

Agricultural Charts

Glenn Griswold, Chicago correspondent of the Public Ledger, in to-day's issue says: "For nearly two years farmers and their associations have complained that the various statistical pictures generally disseminated showing the financial position of the farmer were unfavorable to him and failed to demonstrate the depths of his despair. It was frequently said, for instance, that in determining the purchasing value of the farm dollar wholesale prices were used as a base, which meant nothing to the farmer, since he paid a retail price higher than the average for the country. It was said, too, that using the price per bushel or per pound as a base was unfavorable, since it took no cognizance of variations in yield. Eventually the statisticians took the cue and proceeded to picture the farm situation black enough to satisfy the most confirmed pessimist. Just now the same farmers and farm associations have come to realize that their credit is impaired and progress impeded by these pictures of despair, and they are reversing themselves. They find that land values very accurately reflect these pessimistic charts and graphs and are asking more favorable consideration from the purveyors of predigested thought. The National Industrial Conference Board has just issued a series of charts, and some interpretations and translations of them evidently intended to show just how bad is the state of agriculture. The headlines and text refer frequently to plights, distresses and handicaps. Yet the exhibit, if properly interpreted, is more favorable to the farmer than any widely circulated and fairly credible analysis yet issued....There is one interesting phase of this study that is usually overlooked. It demonstrates what industry has done for the farmer and what labor has failed to do for him. Admittedly, the farmer pays high prices for the stuff he buys because of the costly labor element included, and the farmer knows that about the only class in this country that has an actual purchasing power in excess of war days or any other period in history is organized labor. The other side of the picture shows that the farm dollar has its highest purchasing power when represented by wool, cotton, flaxseed and such products as go almost entirely to industry. In contrast, the strictly food products have an extremely low purchasing power, and it is these that bring the average for the farmer down to the bottom of the curve.

Freight Rates on Cotton

A New Orleans dispatch to the press of June 30 says: "New Orleans traffic representatives have gone to Memphis to protest against an increase of 18 cents per 100 pounds in the rate on cotton between points in Louisiana, Arkansas and Oklahoma and the Southeast and Atlantic seaboard. The new rates will seriously affect New Orleans as a concentration point and gateway, it is declared. The Joint Traffic Bureau was responsible for getting the rate suspended, and the purpose of the present delegation is to make the suspension permanent."



Section 2

Cuban Tariff on
Flour

An editorial in The Southwestern Miller for June 24 says: "After having received a complete and impartial outline of the unfairness of applying the Cuban preferential tariff on United States flour to shipments milled in bond from Canadian wheat, the Cuban Government has adopted measures which will be approved by practically every miller of America and by all the growers of wheat of the United States. Cuba has done what was expected of her Government. Through the Cuban Consul General in the United States, announcement has been made that henceforth any flour entering Cuba at the preferential tariff granted United States flour must be only flour milled in United States mills from United States wheat. This was the original intent of the preferential tariff agreement made between the United States and Cuba. It was violated through a loophole for a time; now the loophole is closed....Had millers, especially the members of the Southwestern Millers' League, not appealed through their organization for the closing of the loophole through which the intent of the Cuban preferential tariff was being violated, the practice of shipping flour milled in bond at preferential rates, probably would not have been stopped. The few millers that profited from such shipments at the expense of the growers of wheat of the United States and also at the expense of millers grinding the American grain may still urge that the loophole be kept open for them. Loyalty to the industry, however, demands that every miller unite with the growers of wheat of this Nation to commend Cuba for the step her Government has taken and to avoid a recurrence of similar transactions with any country entering into preferential tariff agreements with the United States."

Farms for Sale

An editorial in The Breeder's Gazette for June 26 says: "Numerous letters recently received at The Gazette office indicate a widespread and increasing interest on the part of professional and businessmen in towns and cities in farms for sale. In a high percentage of instances these men have had practical farm experience. They desire to engage in farming, and know that farm lands can now be bought at bed-rock or bargain prices. They are writing letters and making investigations. Purchases will follow in due course, in many cases. We are of opinion that before the next cropping season begins thousands of farms will have been sold. Prospective buyers are aware of the fact that hundreds of run-down farms, with fair improvements, can be bought for sums which would not cover the cost of the improvements, and that many productive, well-improved farms in first-class agricultural communities are for sale at ruinously deflated prices. Men who possess some capital and have had farm experience are sure to be extensive buyers of both classes of farms within the next eighteen months. It is probable that the cheaper small, worn farms, requiring restorative treatment, will sell more readily and at relatively better prices than the average run of large farms which from the outset would greatly outyield them. Men who desire to buy farms know that cheap, poor land can be improved and made highly productive by growing certain crops, like sweet clover and other legumes, and by keeping cows, pigs and poultry, and that they and their families can live reasonably well while the

restoration of the land is under way. Many farms are depleted, and their indebted owners are eager to sell them. Thousands of farmers are shifting or desire to shift to other occupations. A new 'crop' of men who know farming and desire to engage in it is shifting from cities and towns back to the land. They will figure prominently in the reconstructive farming of the next decade in this country. The artificial prosperity which American cities have been enjoying for several years is undergoing deflation. Urban centers are not 'sufficient unto themselves,' as farming communities to a large extent are. City house rents are decreasing. Most city people are living frugally, and 'doubling up' in houses. Economic pressure is pushing many of them out. They are headed toward the land."

Railway Legislation in Britain The Journal of Commerce for June 24 says: "It is of little use to try to draw parallels between the British and American experiments in railway regulation and control, but the results already obtained under the working of the British Railways act of 1921 afford some valuable suggestions at any rate to American students of the transportation problem. Within a surprisingly brief period it has been possible to effect with a minimum of friction the consolidation of all the railways of Great Britain into four systems which have taken the place of twenty-six large companies and ninety-three minor ones. Since the amalgamations were fully completed a year ago, the work of standardizing equipment and of increasing the speed and facility of freight and passenger traffic has proceeded at a rapid rate. Although the determination of the new rates schedule is giving the Rates Tribunal, set up under the act, a deal more trouble than was experienced in bringing the roads together the British have at least gone about their work of regulation in a logical, orderly manner. They have started by effecting their contemplated combinations, and they are now engaged in making rate revisions based on a so-called standard revenue intended to provide returns equal to the aggregate net revenues earned in 1913 plus certain additions regarded as interest on subsequent capital expenditure....It is clear that the British rate problem is a bagatelle compared with our own. The basis of rate making selected by the British in itself obviates the necessity of considering the worst problem with which we have to grapple--that of capital valuation. But the British solution is inapplicable to our own situation. It is one thing for a small, developed, industrial country with stabilized economic relationships to accept as definitive for purposes of rate making the net revenues of 1913. For the United States to do likewise would be to take as the basis for future policy the earnings of a period in which railway systems were in a state of transition and railway rates in a rather chaotic condition after years of partial and vacillating public control. The most important lesson of all, however, that could be learned from the British is not drawn from an examination either of method or of working detail. It is a lesson to be learned from studying the British attitude toward the whole question of railway rate regulation. The problem is regarded as an economic one, demanding expert inquiry and dispassionate consideration, based on justice both to shippers and to railways."

Road Problems in
Britain

The Field (London) for June 12 says: "Strong protests from farmers can be heard on all sides at the greatly increased cost of maintaining rural roads in a fit state to meet the requirements of modern traffic. Rural district councils are finding the expense of repairing their unclassified roads an almost unbearable burden on the local rates, and appeals have recently been made to the Minister of Transport in the House of Commons to make an adequate allowance from the Road Fund towards the maintenance and permanent improvement of these by-roads....The chief trouble lies in the fact that the minor country roads were not constructed to bear the strain of modern traffic. Before the war nothing was required of them but to carry the comparatively light and slow-moving traffic of the farm, and the majority of such roads only have a crust of local material to protect the subsoil. To-day steam waggons and 6-ton motor lorries penetrate every by-road, and there can be no doubt that it is the concentration of weight in a heavy lorry that knocks up a road in bad weather. The same load spread over several journeys in a farm cart does no damage. In these circumstances it seems only elementary justice that the whole cost of maintaining minor roads to carry heavy motor traffic, much of which is 'through' traffic bringing no benefit to the district, should not fall upon farmers and other local ratepayers when there is a Road Fund in existence. At the present day many manufacturers run a fleet of motor lorries because they find transport by road more satisfactory and considerably cheaper than transport by rail, and to some extent this economy is being effected at the expense of the rural ratepayer. Farmers have another grievance in respect of roads apart from the burden of maintaining the minor roads unaided. It is that the surface of the modern main or secondary road is often positively dangerous for farm animals. For many days in the year livestock can not be trusted on the slippery surface. In this connection it is interesting to note what has been done with some of the less important roads in Norfolk. Two parallel strips two or three feet from the center of the road have been tar-sprayed to carry the wheels of vehicles; this gives a secure footing for horse traffic on the crown of the road and a smooth surface for motor tires. In considering this question of rural roads the community at large is apt to forget that these roads were constructed, and have been maintained, by the agricultural community for their own use, and that the invasion of quiet country lanes by heavy motor traffic has brought expensive consequences in its train for which the farmer can not be held responsible alone."

The Grain Merger

An editorial in Sioux City Live Stock Record for June 27 says: "A story is now going the rounds of a proposition from several of the big terminal grain companies to sell out to the farmers' association, and thus put the farmers in a position to actually control the markets for their grain. It is about the most huge; in fact, monumental farmer proposition that has yet been propounded. It at once involves an outlay of several hundred millions of dollars in the purchase of elevators and other terminal facilities. It is understood that a number of these big grain companies have expressed a willingness to sell out to the farmer associations--and then join with the farmers in the handling of the immense grain business. It is too big a proposition to be carried through at the drop of a hat. As we remember, it was possibly the idea of organization 'at the

drop of a hat' that resulted in the failure of another grain handling organization that was going to show the world how to handle wheat--the only thing it has so far handled, according to our understanding, is a big deficit in the organization fund. That is, the organization encountered a big deficit in its organization fund. In case the farmers' association signs up for this several hundred millions of dollars of funds for purchasing these huge grain marketing plants, just how many more hundreds of millions will they have to sign up for and deliver in order to finance operation of the plants? The question may well be asked in lieu of the historical facts that there are numerous instances in which large and costly plants have been financed for getting the plants, but failure to provide for operating capital has resulted in disaster."

Section 3

MARKET QUOTATIONS

Farm Products

June 30: Chicago hog prices closed at \$7.40 for the top and \$6.80 to \$7.30 for the bulk; medium and good beef steers steady at \$7.40 to \$10.50; butcher cows and heifers steady at \$3.50 to \$9.25; feeder steers \$5 to \$9; light and medium weight veal calves \$7.25 to \$9.50; fat lambs \$11.75 to \$14.35; feeding lambs \$10 to \$11.75; yearlings \$9 to \$12; fat ewes \$2.75 to \$6.

East Shore Virginia Irish Cobbler potatoes irregular at \$3.75 to \$4.75 per barrel in eastern city markets; slightly weaker at \$3.50 to \$3.75 f.o.b. Georgia peaches steady to stronger. Early Rose closed at \$2 to \$3 per six basket carrier, top of \$5 in New York. California cantaloupes, Salmon Tints, standards 45's nearly steady at \$2.50 to \$3 in consuming centers; weaker at 80¢ to \$1 at shipping points. Mississippi tomatoes stronger at 90¢ to \$1.25 per four basket carrier in leading markets, 90¢ f.o.b. Florida Tom Watson watermelons, 22-30 pound average, 40 to 80¢ unit basis in eastern markets.

Closing wholesale prices on 92 score butter: New York 40 3/4¢, Philadelphia 41¢; Chicago 38 1/2¢; Boston 41¢.

Average grain prices quoted June 30: No.1 dark northern spring wheat Minneapolis \$1.24 to \$1.48. No.2 hard winter Chicago \$1.16 1/4 to \$1.19 1/2; Kansas City \$1.09 to \$1.26; St. Louis \$1.12 to \$1.15. No.2 red winter Chicago \$1.16 1/4 to \$1.16 1/2; Kansas City \$1.10 to \$1.12; St. Louis \$1.17 to \$1.20. No.2 yellow corn Chicago \$1 to \$1.01; Minneapolis 94 to 94 1/2¢. No.3 yellow corn St. Louis \$1 to \$1.01; Kansas City 98 to 99¢. No.3 white corn St. Louis \$1.04; Kansas City 98 to 98 1/2¢. No.3 white oats Chicago 57 3/4 to 59 1/4¢; Minneapolis 53 7/8 to 54 1/8¢; St. Louis 59 to 59 1/2¢; Kansas City 55 to 56¢.

Spot cotton down 7 points, closing at 29.04¢ per lb. New York July future contracts up 17 points, closing at 29.20¢.

(Prepared by the Bu. of Agr. Econ.)

Industrials and	Average closing price	June 30,	June 28,	June 30, 1923
Railroads	20 Industrials	96.37	95.55	87.85
	20 R.R. stocks	85.80	86.11	76.85

(Wall St. Jour., July 1.)

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Vol. XIV, no.2

Section 1

July 2, 1924.

Agricultural Situation

Glenn Griswold, Chicago correspondent of the Public Ledger, in to-day's issue says: "As one turns the calendar to-day and begins the second half of the year, the obvious thing would be to recount the prophecies of the new year that have gone wrong and recite the causes and effects of a most unusual and severe business reaction. The Middle West, however, may be pardoned if it tries to demonstrate that things have not been so bad as they seem, are not now so discouraging as may appear and are less gloomy as to prospect than the information of the professional prognosticator might seem to suggest.....Getting back to the land in a study of business conditions, one finds favorable circumstances. The grains continue to advance buoyantly one day and hold the major part of the gain the next. Livestock has performed similarly. Wool continues to advance. Butter and eggs, which are major money crops of the farm, have held fairly steady at comparatively high levels. Lard, which should be given more importance than usually is accorded it, is still moving into higher ground.....Farm values are beginning to steady, that is, farm land can be sold under conditions that do not characterize a distress market. City real estate is far more active than is characteristic of the season and virtually all sales are at high prices. Mail-order sales for June suggest improved conditions in agriculture and continuing prosperity for mail-order security owners. All things considered, it would appear to be a fair conclusion that business hereabouts has steadied itself from the jolts it received in May and early June, is proceeding on a fairly even trend, and has no more reason to fear further depression than it has to expect immediate prosperity."

Army Worm Damage

A Chicago dispatch to the press of July 1 says: "Enormous damage has been done to crops in the Middle West by hordes of army worms in the last ten days. Ohio, Indiana, Illinois and Iowa are the chief sufferers. Advices tonight from Wisconsin say the lower tier of counties are literally alive with the squirming, wriggling destroyers, who leave a path more desolate than that of a tornado. The destruction in northern Illinois is appalling. The pests appear as if by magic, forming almost a solid carpet over great areas during the night and destroying every green thing and then bore into the earth."

Sweet Potatoes in Georgia

A Valdosta, Georgia, dispatch to the press of July 1 says: "With nearly 700 members already signed up in twelve counties of the State, indications are that the Georgia Sweet Potato Growers' Association will control a large share of the potato acreage this year. Realizing that the big trouble with the sweet potato crop in the past has been the inability of local farmers to grade, store and market their crops in the most up-to-date manner, the association will bend every effort this year in seeing that the potatoes of its members are properly graded and stored. It will also aid in marketing the crop, preventing the usual glut on the market by a slow and even distribution of the product and local gluts by careful routing and re-routing of potatoes in transit to reach the best paying markets."

Section 2

Agricultural Credit Corporation The \$10,000,000 Agricultural Credit Corporation, announcing total loans and commitments of \$4,363,000 to 273 northwest banks up to June 21, in its first official statement covering its three months activities, showed the far-reaching effects of its work to tide over farmers in certain one-crop sections. Officers expressed the belief that emergency relief, which the corporation was organized to furnish, largely will have been met by harvest time. (Commercial West, June 28.)

American Council of Agriculture An editorial in National Stockman & Farmer for June 28 says: "The formation of a 'great impartial and representative American Council of Agriculture, composed of not less than 50 of the broadest minded farmers in the country, who shall be commissioned to henceforth speak for agriculture upon all questions of national and other vital policy", and who shall form a national cooperative marketing plan which shall correlate and reconcile all existing plans of this kind, is the week's addition to remedies for what ails agriculture. Perhaps 50 men with minds broad enough to speak authoritatively for agriculture on all questions would be able to formulate a national cooperative marketing plan that would correlate and reconcile all existing plans of this kind--ordinary and extraordinary men have not yet been able to accomplish this dual feat, although many have tried. A mind broad enough for this purpose would have to stretch itself out over considerable territory with a possible sacrifice of depth."

Canadian Wheat An editorial in The Nor'-West Farmer (Winnipeg) for June 20 says: "There appears to be no doubt but that the entire Canadian surplus of wheat will be sold before the new crop is ready, demand from the United Kingdom and Europe being stronger at this time than it has been for months with heavy shipments of Canadian wheat going forward. Once again, therefore, the statistics did not accurately represent the situation. By all the arithmetic of the 1923-24 wheat situation this country should by now have been pressing sales in Old Country markets not at all anxious to buy wheat. Instead of that we have improved overseas demand, higher prices and the problem of finding an outlet for our unusual surplus has disappeared--a temperature a few degrees too low for the season one place, too much rainfall in another and scarcely enough somewhere else, quickly checked the bearish feeling that had got into the market with the coming of spring and caused slightly bullish sentiment to spring up. At the moment the situation is satisfactory, with such signs as there are suggesting continued good demand. Improved political and economic conditions in Europe are steadily bringing about a better condition of affairs for business of all kinds, the sale of wheat included. Trend of values for the next month or two is likely to be governed largely by weather conditions. The spring wheat crop of the United States and Canada is for the time being the important factor in the situation. Official figures covering acreage seeded in this country are not yet available, but it is believed a small decrease will be shown. In the United States it is not expected that the total crop will be sufficient to meet requirements."

The world's situation, therefore, is far from being bearish and should anything occur to reduce or threaten to reduce the return from the crops now growing in these provinces and the Northwestern States, the situation would develop some unusually strong bull features."

Cotton Loans

An editorial in Journal of Commerce for July 1 says: "The announcement that a large loan is being negotiated or has been procured from a group of New York banks in favor of cotton cooperatives is of interest in more than one direction. This, of course, is not the first loan of the sort. In past years similar arrangements have been concluded and successfully executed. The terms of these advances have in the past been and, no doubt, are this time businesslike, sound and fair to all concerned. The associations have in this manner been able to provide growers with funds at rates of interest substantially below those ruling in rural districts. In this respect and to this extent the negotiation of these credits is, as it is currently spoken of, 'an evidence of the success of cooperative associations in marketing the crops of their members.' The ultimate usefulness of these organizations is, however, not measured by their success in times of high or rising prices and scant supply of cotton but by the way in which they are able to function in times of large supply of cotton and low or falling prices. It is in these latter eras that their skill and ability to serve is most severely tested. Properly conducted there is no reason to suppose that they should not be able to serve the cotton growing South in times of adversity as well as in more prosperous years, provided they have loyal support. It is necessary, however, that they avoid foolish notions of monopoly prices and the like. Nothing could bring their usefulness to an end more surely or more quickly than for them to embark upon the practice of trying to hold the public up for unreasonable prices demanded on the strength of supposedly monopolistic control of supply."

Farming

An editorial in The Breeder's Gazette for June 26 says: "It is true that many factors in farming are not controllable by farmers. Some of these may be measurably or fully controlled by farmers some day. Whether in that case they would be any better off than they are now we do not know. If farmers desired to control the country's established machinery for marketing and handling all kinds of farm crops and produce, and would put up the necessary capital to buy, staff and operate the machinery, they could do it. Most 'big businesses' which directly affect agriculture have been harried by legislation and public hostility until their owners would be glad to sell out to farmers or any other group that would pay them a fair price. If, like organized labor, farmers desire to achieve the control of factors which are at present controlled by others, the way to proceed toward that end is clear. Organized labor is establishing banks, and gradually extending its power in other directions. The unified will-power and wealth of American farmers are capable of doing stupendous things if they knew what they wanted to do, went about it in a business-like way, and were willing to pay the price....."

Grain Prices

An editorial in Chicago Daily Drovers Journal for June 28, says: "The dollar mark has appeared in corn quotations this week, for the first time since last year. Wheat and oats have also made material gains during the past two weeks. The gain in grains is a favorable development, though there are some farmers it won't make particularly happy. The livestock producer who buys corn every year is never anxious to see it high; the farmer who feeds each year just about as much corn as he produces is concerned about livestock rather than corn prices; while the man who makes a practice of selling corn is never happier than when his cribs are full and corn is climbing the price ladder. As a matter of fact corn and livestock seldom get very far out of line, or remain so long. Just now corn is high as compared with cattle and hogs. The effect will be to check livestock production, which in the course of time will restore a balance between the prices of the two commodities. Whether this will mean a reaction in corn prices, a gain in livestock prices, or both, remains to be seen. All that can be known now is that it will happen. There are two things, however, that would lead us to expect a fairly high price for corn for quite a while. The old corn seems to have been pretty well used up by heavy livestock production. And the outlook for the growing crop isn't any too good. Many fields intended for corn could not be planted; there is corn so weedy that the rows can't be seen, and the rush of harvest will make it difficult for some to give late corn adequate working. In the meantime, what shall the man do who has cattle or hogs, or both, ready for feeding out, but with no corn to feed unless it is purchased? A good many feeders are struggling with just that problem to-day. Some will take a chance on buying corn, some will turn on grass, and still others will unload at a loss. It is at best a trying situation for them, and they are not celebrating the rise in corn prices. However, the gain in grains can not be regarded as other than a favorable development if viewed from the standpoint of agriculture as a whole."

Wheat Harvest

United States Department of Labor reports wheat harvesters are cutting at the rate of a half million acres of wheat a day in Texas, Oklahoma and Kansas. Ample labor has been secured to meet all demands for help. In south central Kansas, comprising 16 counties, representing 3,000,000 acres of wheat, the harvest is well under way. In northern Oklahoma and southern Kansas 20,000 men are working in the wheat fields. Within the next ten days the harvest demands will require at the rate of 3,000 additional men each day. Recruiting harvest hands is now going on in the Southern and Middle-Western States. The special rates granted by the several railroads have largely facilitated the efforts of the farm labor division of the United States Employment Service in recruiting 8,000 men from Kansas City, Joplin and Springfield, Missouri. Thousands are going into the fields by automobiles. By June 30 the harvest will have entered the north central Kansas counties. A few days later it will extend toward the middle-western counties and by July 5 the extreme northwestern Kansas district will be harvesting. Wages in Oklahoma range from \$3 to \$4 per day, with board and lodging. In Kansas the wage rate is from \$3.50 to \$4 per day, with board and lodging. The herculean task of harvesting

14,000,000 acres of wheat in Texas, Oklahoma and Kansas within the next 20 days is a tremendous problem, but through the agency of the farm labor division of the United States Employment Service, the assistance of the agricultural county agents and chambers of commerce the problem will be met and no farmers will suffer for want of help. (Wall St. Jour., July 1.)

Section 3.
MARKET QUOTATIONS

Farm Products

July 1: Average grain prices quoted July 1: No.1 dark northern spring wheat Minneapolis \$1.26 5/8 to \$1.49 5/8. No.2 hard winter Chicago \$1.16 to \$1.22; St. Louis \$1.13; Kansas City \$1.07 to \$1.24. No.2 red winter St. Louis \$1.17 to \$1.19; Kansas City \$1.10 to \$1.12. No.2 yellow corn Chicago \$1 to \$1.00 1/2; Minneapolis 94 to 94 1/2¢. No.3 yellow corn St. Louis \$1 to \$1.01 1/2. Kansas City 99 to \$1.00. No.3 white oats Chicago 57 3/4 to 58 3/4¢; Minneapolis 53 to 53 3/4¢; St. Louis 58 1/2¢.

Chicago hog prices closed at \$7.35; bulk of sales \$6.60 to \$7.20; medium and good beef steers \$7.40 to \$10.50; butcher cows and heifers \$3.65 to \$7.35; feeder steers \$5 to \$9; light and medium weight veal calves \$7.50 to \$9.75; fat lambs \$12.25 to \$14.75; feeding lambs \$10.25 to \$12; yearlings \$9.50 to \$12.50; fat ewes \$2.75 to \$6.

North Carolina Irish Cobbler potatoes mostly \$3.25 to \$3.75 per barrel in eastern markets; \$3 f.o.b. East Shore Virginia stock \$3.50 to \$3.75 in New York and Philadelphia; \$3 to \$3.50 f.o.b. Onley, Va. California cantaloupes Salmon Tints, standards 45's, ranged \$2.75 to \$3 in leading eastern markets, \$2.25 to \$2.75 in the Middle West; \$1 f.o.b. Florida and Georgia Tom Watson watermelons, 24-30 pound average, \$3.10 to \$5.55 bulk per car in leading markets; \$2.50 to \$3.25 f.o.b. Valdosta, Ga. Mississippi tomatoes, turning, brought \$1.10 to \$1.40 per four basket carrier in eastern cities, 80¢ to 95¢ in Chicago. Georgia peaches, Early Rose mostly \$2 to \$2.75 per six basket carrier and bushel basket. Carmans \$3.75 to \$4.50 in New York and Pittsburgh. Hileys \$4 to \$4.75 in New York.

Spot cotton up 37 points, closing at 29.41¢ per lb. New York July future contracts up 70 points, closing at 29.90¢. (Prepared by the Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	July 1,	June 30,	June 30, 1923
	20 Industrials	96.45	96.37	87.85
	20 R.R. stocks	85.83	85.80	76.85

(Wall St. Jour., July 2.)

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Vol. XIV, no. 3

Section 1

July 3, 1924.

The Grain Merger An editorial in St. Louis Daily Live Stock Reporter for June 27 says: "The plan submitted by five gigantic grain concerns of Chicago whereby their properties and managerial personnel are to be taken over by The American Farm Bureau Federation, is the biggest news item in the grain trade this season....Board of trade men view the plan as significant as a revelation of the attitude of those in the grain trade toward the cooperative marketing effort of the producers. 'The elevator and grain men on the board of trade have shown their disposition in the matter towards the farmers' cooperative plan,' they affirm. 'If the farmers think this is a good plan, they can come into possession of all these properties and thereby become owners of the great grain marketing corporation handling both the domestic sales and the export business. The elevator and grain men profess that they are thus showing the farmers that they are willing to let the farmers have the properties at an appraised valuation, and will manage the business for them for a given period until they wish to take the whole management into their own hands.' It is doubtful, however, whether the federation will take over the proposition without demanding full control of the business management. The outcome of this venture will be watched with interest. Some believe that the grain concerns involved in the offer are tired of Federal harassment and are merely seeking to unload their properties and managerial burdens upon the willing representatives of the wheat producers. Others feel that it is a wonderful opportunity for the farmer to demonstrate what he can do in ultimately dictating to the consumer what he shall pay for wheat. The failure of the U.S. Grain Growers Inc. to produce expected results temporarily threw a damp blanket on the plans of producers to control the wheat industry through their business initiative and for the time being diverted their efforts to obtaining relief from legislation, to wit the defeated McNary-Haugen Bill. Now the farmer is apparently again figuring on the business end of the game."

An editorial in The Farmer for June 28 says: "This is a rather startling announcement and can be interpreted in a number of ways. It should be remembered that most of the elevator companies have been losing money the past two years, and many of these companies would be glad to unload their property. Because of certain facts in our possession, we rather doubt if this is the purpose of the five companies entering into the present plan. The disagreeable suggestion also comes to mind that a merger of this sort might be one way of heading off the growth of the cooperative pooling plan for marketing grain. The real difficulty in any plan such as this grain marketing plan comes from the fact that a national sales agency would have difficulty in functioning properly until the producers themselves are organized. The various State wheat pools will handle in the neighborhood of 50,000,000 bushels of wheat this year, but a merger such as is proposed would have facilities for ten times this amount of business. Furthermore, a provision of the Capper-Volstead law specifies that a merger of this sort would not be exempt from prosecution under the anti-trust law unless at least one-half of this business is owned by grower members. In other words, it is not clear just how this plan for marketing grain can be worked out until the grain growers can be thoroughly organized in each of the grain growing States. The five companies mentioned operate on all of the principal markets. The news from Chicago is interesting in that it shows the Nation-wide interest in the question of better marketing....."

Section 2

Australian Meat Problem of the Australian meat export trade is still causing considerable concern among producers, according to the Department of Commerce. A deputation from all parts of Australia recently required a renewal of the Federal Government's meat bounty for at least another year, as industry was not yet on a profitable basis. The prime minister refused, but said when the producers could prove that they had a scheme for reorganizing the industry, the Government would reconsider the renewal of the bounty. Pastoralists are discussing a proposal for the formation of a company, with an authorized capital of 3,000,000 pounds sterling to develop the meat industry in northern Australia. In March, 11,549 cattle, 1,925 calves, 13,992 sheep and lambs and 400 pigs were submitted for slaughter and inspection for export. (The Wall St. Jour., June 30)

Corn Prices An editorial in St. Louis Daily Live Stock Reporter for June 25 says: "Corn prices in the United States have advanced to a level where a cargo of Argentine corn is said to have been bought to go to the Pacific coast. There are intimations of more being purchased, also one being very near a working basis to Montreal. Unless the corn crop situation in the surplus producing States of the Midwest changes and improves materially next winter's feed problem will be a matter of considerable concern to cattle, hog and sheep finishers."

Farm Education The value of an agricultural education for men in various lines of business, where there are contacts with rural populations and farm problems, was a point made by Dean E. C. Johnson of the College of Agriculture at the State College of Washington recently. "Young men from towns and cities appreciate more and more the value of an agricultural education for them as well as for the young men from the country," said Dean Johnson. "More than a third--to be accurate, 36 per cent--of the freshmen enrolled in the College of Agriculture this semester are from towns and cities of Washington, while many of them expect to take up farming, others realize the great value of an agricultural education for men in business enterprises such as banking in country communities, the seed business, the feed and fertilizer business, the farm implement business, in creameries and condensories, milling, manufacturing of farm implements and numerous other enterprises. This is as it should be, because, when the men in these enterprises which depend directly on the farm for their very existence understand the problems of the farm, they not only will be more successful from an individual point of view but they will render much better service to agriculture through their business than if they were ignorant of the fundamentals of our basic industry." (Press, June 30)

"Deflated Farmers" An editorial in The Washington Post for June 28 says: "That dissatisfaction and even distress exists in the agricultural regions of the West is not to be questioned. Neither will it be denied that

both justice and prudence would be served by affording such measures of relief through legislation of administrative action as sound governmental principles may warrant. It can not be questioned that the national administration has the matter sympathetically and seriously in mind, and is just as intent upon safeguarding and promoting the welfare of the farmers as of any other element of the population. However, there is danger of overplaying upon the calamity string, and of exaggerating the embarrassments of the farmers in a fashion and to an extent that must provoke their resentment. We do not believe that the farmers of the West are generally bankrupts or paupers, or in danger of becoming such, or are willing so to be considered. To speak of 'the prosperous East' and 'the deflated farmer of the West,' conveys an unfortunate imputation which does not seem to be warranted by the facts. According to the census bureau, the agricultural wealth of the country is increasing at a gratifying rate -- at a much higher rate than the total wealth of the Nation. ... "

European Markets

An editorial in Chicago Daily Drovers Journal for June 28 says: "In a new book 'American Agriculture and the European Market' ... Dr. E. G. Nourse, formerly of the Iowa State College, now a member of the staff of the Institute of Economics, discusses a problem of great interest and importance to the food producers of this country. He traces the history of our food export trade, discusses the effect of the war, analyzes the ability of European nations to produce and to buy, shows what may be expected from our competitors in South America and Australia, and arrives at certain conclusions. ... In assembling a tremendous amount of information and presenting it in a style that can be understood by all Dr. Nourse has performed a real service. He has given us something to think about, discouraging for the moment though it may be. He has marshaled his facts and arguments in a most convincing manner, and if his conclusions are sound it means some further, though we take it not necessarily radical, readjustments in our agricultural production. If we are approaching the time when the farmer must depend on domestic markets for the consumption of his products, let us at least not forget that this domestic demand increases very rapidly. Food production was expanded enormously during the war. Before that time it was not keeping pace with the increase in population. Eventually, of course, a proper balance will be reached, and then there will be a new and we confidently believe a greater farm prosperity. Even now we are rapidly approaching that balance, though the journey has been and still is a painful one for many."

Federal Farm Loans

A Washington dispatch to the press of July 1 says: "Extensive use of the Federal Farm Loan system by cooperative marketing associations throughout the country is expected by the Farm Loan Board, according to Farm Loan Commissioner Cooper. He outlined to-day the discussions at the regular meeting of the board with the presidents of the 12 Federal Land and Intermediate Credit banks. The board, he said, was mightily gratified at the record

made by the banks during the fiscal year just closed. The meeting with the presidents, he explained, was largely devoted to a discussion of intermediate credit policies, particularly cooperative marketing association loans upon commodity warehouse receipts. 'The reports of all the banks were very satisfactory,' Commissioner Cooper said. 'One year of operation has demonstrated the soundness and serviceability of this new system of agricultural credits. The market for Intermediate Credit Bank debentures has already been well established, and is sufficiently broad to take care of all the prospective needs of the Intermediate Credit Banks throughout the coming season. The banks and the board experience no concern as to their ability to procure ample funds at low rates for all the loans contemplated by the act. ...!'

The Central
Western Farmer

One well posted in farming and finance in the Central West says: "It is a mistaken idea to suppose the farmers of the West are living under great financial difficulties and for the most part broke. This is especially not the correct picture for the area around Kansas. After the war there developed the theory among farmers that hereafter they would be the managers of their farms and let others do the real work. They are getting away from this idea and are going right out in the fields with their help. This is bringing the cost of production down. "Nor is the central west agriculturist sore on the Government. He realizes that legislation can not improve his condition and that economic law must slowly readjust values. The radical feeling in the Northwest is largely the result of inflated land values and is not strictly an agricultural problem. Kansas City is getting the best railroad service on record and the farmer is strong for the roads. No political party will gain any farmer votes by attacks on the carriers. The farmer of the Central West is not dragging out a miserable existence. Most of them have Fords and the radio is common. Their houses are well kept up and water and electrical systems are rapidly being introduced. The farmer is in the best state of mind since 1922, when relative values of what he produced and what he had to buy were all out of joint. Corn has recently sold at over \$1 a bushel for the first time in many months. This is the result of the poorest crop outlook I have seen in 25 years. Much the same situation applies to wheat. The recent advance in wheat is distinctly helpful and current prices probably mean some profit to the average producer, but corn is the feed for hogs and hog prices are depressed because of overproduction. The hog producer is now remedying this situation. The 1924 wheat crop will be the best marketed on record. Small cooperatively-owned grain elevators are dotting the railroad tracks all along the belt. Wheat will be distributed from these elevators gradually throughout the year and not dumped all at once as used to be the custom. No farmer who is a good credit risk is unable to get money. A large Kansas City banker tells me he has \$2,500,000 ready to be placed in cattle paper which he can readily rediscount with eastern banks. Kansas City normally has \$100,000,000 of cattle paper outstanding; now it has not more than \$40,000,000. In Iowa there is more money on deposit than ever before. Practically the same is true of Kansas City." (The Wall St. Jour., July 2)

Section 3
MARKET QUOTATIONS.

Farm Products

July 2: East Shore of Virginia Irish Cobblers 50¢ to \$1 lower closing at \$3.25 to \$4.25 per barrel in leading cities; \$3 to \$3.25 f.o.b. Onley, Va. North Carolina stock ranged \$3 to \$4.25 in city markets; best \$2.75 f.o.b. Alabama, Arkansas and Oklahoma Triumphs around 60¢ lower in Chicago at \$2.10 to \$2.25 sacked per 100 pounds. California cantaloupes steady in the East with a weaker tendency in the Middle West. Georgia and Florida Tom Watson watermelons 24-30 pound average, tend lower in New York at \$400 to \$610 bulk per car; \$185 to \$300 f.o.b. Valdosta, Ga. Georgia peaches, Carmans slightly stronger selling at \$3.25 to \$4 per six basket carrier in eastern markets; \$1.50 to \$1.75 f.o.b.

Chicago hog prices closed at \$7.25 for the top and \$6.50 to \$7.10 for the bulk. Medium and good beef steers \$7.50 to \$10.50; butcher cows and heifers \$3.65 to \$9.75; feeder steers \$5 to \$9; light and medium weight veal calves \$8 to \$10.25; fat lambs \$12.50 to \$15; feeding lambs \$10.25 to \$12; yearlings \$9.75 to \$12.75 and fat ewes \$2.75 to \$6.

Average grain prices quoted July 2: No.1 dark northern spring wheat Minneapolis \$1.27 3/8 to \$1.50 3/8. No.2 hard winter Chicago \$1.18 to \$1.23; St. Louis \$1.13; Kansas City \$1.09 to \$1.25. No.2 red winter St. Louis \$1.18 to \$1.20; Kansas City \$1.13 to \$1.14. No.2 yellow corn Chicago 99 1/2 to \$1.00 1/2; Minneapolis 95¢. No.3 yellow corn St. Louis \$1.01 1/2 to \$1.02; Kansas City 98¢. No.3 white corn St. Louis \$1.05; Kansas City 97¢. No.3 white oats Chicago 56 1/4 to 57 1/2¢; Minneapolis 52 1/2 to 53¢; St. Louis 58 1/2¢.

Closing wholesale prices on 92 score butter to-day: New York 41 1/2¢; Philadelphia 42¢; Chicago 39¢; Boston 41 1/2¢.

Spot cotton down 95 points, closing at 28.42¢ per lb. New York July future contracts down 106 points, closing at 28.84¢. (Prepared by the Bu. of Agr. Econ.).

Industrials and	Average closing price	July 2,	July 1,	July 2, 1923.
Railroads	20 Industrials	96.38	96.45	88.95
	20 R.R. stocks	85.78	85.83	78.40

(Wall St. Jour., July 3.)

DAILY DIGEST

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Vol. XIV, no. 4

Section 1

July 5, 1924.

Timber Supply An editorial in The Washington Post to-day says: "An official of the Department of Agriculture reports that the Nation draws from its timber supply 25,000,000,000 cubic feet annually, while the increase is at the rate of 6,000,000,000 feet. It is easy to read exhaustion of supply in these figures. No one can understandingly read that report and fail to realize the need of economy in timber operations and the necessity of devising plans for increasing timber supply. Here is a warning to Federal and State Governments and to individuals to cooperate without delay in a national program for replenishing and maintaining an adequate timber supply."

Federal Power Control An Associated Press dispatch from London says: "Demands for Federal control of power development come from a lack of understanding of the problem, according to Herbert Hoover, Secretary of Commerce, in a paper which was read July 3 before the World power conference. Guy E. Tripp, Westinghouse Electric and Manufacturing Company, said that under the existing system of public regulation the American people were better protected by private interests against waste, extravagance and dishonesty than they would be by public ownership. He believed Government ownership of the super-power system would impair public credit and introduce a positive political menace. Among many others who supported private ownership were George Otis Smith, director of the United States Geological Survey, and John W. Lieb, of the New York Edison Company."

The President on Schools President Coolidge, at the final session of the sixty-second annual convention of the National Education Association, July 4, at Washington, formally announced his indorsement of the bill pending in Congress proposing the creation of a Department of Education and Relief in the Cabinet. Referring to rural schools in his address, the President said: "We are coming to give more attention to the rural and small village schools, which serve 47 per cent of the children of the Nation. It is significant that less than 70 per cent of these children average to be in attendance on any school day, and that there is a tendency to leave them in charge of undertrained and underpaid teachers. The advent of good roads should do much to improve these conditions. The old one room country school, such as I attended, ought to give way to the consolidated school, with a modern building, and an adequate teaching force, commensurate with the best advantages that are provided for our urban population. While life in the country has many advantages that are denied to those reared on the pavements and among crowded buildings, it ought no longer to be handicapped by poor school facilities. The resources exist with which they can be provided, if they are adequately marshalled and employed."

Section 2

Agriculture 1

Tom Finty, jr., is the author of an extensive article on "The Farm," in Commerce and Finance for July 2. He says in part: "With the machine, we are taking from the storehouse of nature and fashioning to our uses more goods than ever before were so taken by any people in the world. And we are consuming more of these goods -- that is to say, all of us, except the farmers. The farmers are producing more, but because of their isolated position and want of effective organization, they are not benefited, but in many cases actually are injured by reason of their increased production. The machine, because of its cost, has been a large factor in the promotion of one-crop farming. Competitive conditions have forced farmers into the use of the machine, and not many farmers have the capital to invest in all of the types of the machine necessary to a diversified program. And 'Man can not live by bread alone.' Farmers are obliged to buy many of the things necessary to the sustenance of themselves and their families. It is true that in former times nearly all of these things were produced on the farms. Indeed, farm communities were approximately self-sufficient. ... But when the machine came it put the farm factories out of business. ... It wasn't long until the farm factories had been integrated in the great industrial plants of towns and cities, and the farmer found himself solely a crop producer, often the producer of a single crop. Moreover, as he could produce so much more with the machine, and as the individual farmer has no sort of effective organization nor understanding with his fellows, he has found at harvest time, if weather and insects have not interfered, that he and his fellows have produced more than the world needs. And he alone has borne the consequences. A tariff wall does not protect him. He stands four square to the trade winds. ... Unquestionably the machine has profoundly affected the human race, particularly so those persons engaged in agricultural pursuits; but, of course, it has not repealed the celebrated law of supply and demand, nor can Congress effect such repeal. If it would do so, the farm problem would be so simple that I would be emboldened to write a prescription."

2

"President Underwood of the Erie made a remark recently which is certain to be resented in the Northwest, if only on the theory that the greater the truth the greater the libel. He said that the farmer's position would be improved when the farmer ceased to expect a year's living out of 90 days' work. Of course, the indignant farmer will say that he works every day. He counts the chores in his day's work, and certainly the family cow must be milked twice a day. But what Underwood meant was the farmer's productive work. No employer pays for the time his workman spends in traveling to his work, although the traveling is indispensable. So far as the raising of a salable crop is concerned, like the wheat of the Northwest, from the plowing to the actual loading on the freight car, it involves a little more effort than President Underwood indicates, although not much. That is the beginning and end of the one-crop farmer's work, considered as his contribution

to the increased wealth of the country. Plenty of other people besides farmers do their daily chores about the house. Life has many duties for which we are not paid. If the farmer is sorry for himself on that account he is likely to find few sympathizers. There is nothing to be gained by taunts, but this ultra-sensitivity about uncompromising criticism, exhibited rather less by the farmer than his self-elected friends and advocates, is not likely to get anybody anywhere. The practical condition to-day, so far as the farmer is concerned, shows an enormous improvement from the worst. The steady advance in the price of wheat is beginning to materialize this in a way every one can see and understand. The radicalism on the farm has been much talked about, but is absurdly overdrawn. ..." (The Wall St. Jour., July 2)

Wheat Prices

Carl Williams says in The Oklahoma Farmer-Stockman for June 25: "A month or six weeks ago I suggested that, due to reduction in acreage and smaller prospective yields in many countries of the world, the wheat price situation is in a fair way to gradually solve itself without Government help. Since then the Government has cut its estimate of the United States crop by about 90,000,000 bushels and reports have also shown reductions in other nations. Now comes George E. Marcy, president of the Armour Grain company, to say that wheat should command 'very high prices' this season and that the wheat farmer 'is coming into his own.' Marcy's company is one of the 'big four' which, at one stage of the game or another, handle about half of the total wheat crop of the United States each year. He is, therefore, entitled to know something about it. Marcy is also the fellow who said that, if the farmers had been properly organized on a national scale for marketing last year, they could have sold their wheat at one time in the season for 40 cents a bushel more than they got. 'The United States wheat situation is different from almost anything which has ever existed,' he says. 'The Government report indicates not to exceed 100,000,000 bushels available for export during the coming year. This means that just the ordinary situation in which even low prices in other countries cut no figure will clean the United States out of her surplus wheat very promptly. On top of this,' he continues, 'probably the American farm cooperative wheat pools were never so strong as now, and all of their influence will be exerted for good prices which can easily be obtained provided these farm outfits work together.' Marcy doesn't say what 'very high prices' are and it is probable that he is entirely too wise to let himself be pinned down that close. Other Chicago speculators, not so wise, are talking about \$1.25 to \$1.50 wheat. The former price would mean about a dollar and a nickel at the country station; provided, of course, that the folks go to market leisurely and don't crowd the mourner's bench too close."

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Vol. XIV, no. 5

Section 1

July 7, 1924.

Hunger in Russia An editorial in the Public Ledger for July 7 says: "Hunger, according to word from Moscow, again menaces 8,000,000 Russians along the lower Volga, in the Caucasus; the Don, in Kuban, and the Astrakhan regions. Official dispatches to the Red Government announce the beginning of a new mass-panic among the peasants. The new disaster is attributed to drought, record heat, to the unfitness of seed imported from America for growth in Russian soil and to a lack of fertilizers. It is blamed, in short, on any and everything save and except the industrial and economic breakdown that began with the Soviet regime that has made Russia helpless and that has damned and blasted all private initiative in the country of the Chekha and the Commissar."

Livestock Shipment An Indianapolis dispatch to the press of July 6 says: "Samuel E. Rauh, president of the Belt Railroad and Stockyards Company, predicts that in a few years interurban electric lines will be hauling three-fourths of the livestock coming to this market, which, in the hog department, is one of the largest in the country. The increase in the number of cars handled by the interurban roads in five years is 817 per cent in this market. Most of the traffic is in inbound shipments, but the outbound division is now showing large gains also. In 1919 only eight cars were outbound; in 1923 the number was 1,086. Regularly scheduled trains are now being run between Indianapolis and Louisville, and shipments outbound will show a heavy gain this year. The total number of cars handled last year by the traction companies was 11,592, in and out."

London Wool Auctions A London dispatch to the press of July 6 says: "The wool auctions, which have been progressing since Tuesday, indicate emphatically that the cry of 'Famine in wool' prevalent earlier in the year has proved false and that the trade of the world has not recovered its normal activity. Prices on all but good Merinos are 5 to 10 per cent down due to inability of Continental houses to buy, the desire of the home trade to see a lower level and the absence of American support."

German Food Prices A Berlin dispatch to the press of July 6 says: "The protectionist food tariff is now definitely determined on. The Minister of Agriculture has promised to submit a bill to the Reichstag imposing duties which will bring German food prices up to the foreign level. Industrial interests are supporting the bill, because they expect higher duties on manufactures also as a quid pro quo."

Harvest Tourists Mrs. Emma Armstrong, poor commissioner at Fort Scott, Kans., says that no less than 45 parties of motor car tourists have applied to her for aid since April 1. In many cases they ask for money to buy oil and gas, and some ask for food. The most of the tourists are on their way to the harvest fields.....(Press, July 7.)

Section 2

Agricultural
Depression

An editorial in New England Homestead for June 28 says: "Despite the many discouraging things in agriculture, James R. Howard, former president American Farm Bureau Federation, continues optimistic. Addressing the Chicago Rotary club recently, he declared present agricultural depression an invitation to farsighted men to get into farming or to invest in agriculture. The general impression is that there are more people who want to get out of farming than there are who wish to get in. But Mr. Howard advances pretty strong arguments when he says: 'Whenever any commodity is below cost of production buy; it will surely go higher. Whenever any commodity is above cost of production sell; it will inevitably go lower. The products of the farm are and have been for four years below production costs. They must inevitably sooner or later go higher; else all history and economics belie themselves.' Mr. Howard apparently has the hard school of experience on his side. It is common knowledge that whenever men and capital are rushing in large numbers and volume toward any essential or non-essential industry, then is a good time to stay out for the industry will soon be overdone. Of course, the reverse is likewise true. If Mr. Howard is sound in his logic and if our farmers can ride through the present storm and hang on, there is a reward ahead for them. All of this has more significance in the Middle West where farmers have been taking such a licking. Here in New England our farmers have been spared such pains, although there are some mighty tender spots."

Bakers as
Millers

An editorial in Modern Miller for June 28 says: "From a source that sounds reliable, comes the rumor that a certain big baking organization is considering the purchase of a big and important milling corporation. It is rumor in New York and has spread and as usual some in the trade are weighing the elements of fact which are yet too indefinite to determine. With this rumor for a theme, it would seem reasonable to expect that if bakers engage in milling, millers will surely engage in baking. It has not been such a long time since British millers seriously considered raising a huge fund, millions of pounds, to build bakeries. We have millers flirting with bakery operation in England, while in the States, some bakers seem to covet milling their own flour in their own mills. We believe British millers thought better of the scheme and stuck to their own bush. We believe American bakers will do well to lay off of the milling business. They are separate and distinct industrial and commercial enterprises and a successful baker is apt to be an unsuccessful miller and vice-versa. It sounds progressive to own both bakeries and mills and--why not grow your own grain and mine your own coal? There is enough demoralization without adding rivalry in plant operation. It may be a two-edged sword."

Farmer Loans

An editorial in The Wall St. Jour. for June 28, says: "Wall Street supplied most of the money to help out the farmers of the Northwest and now it is claimed that the New York banks will loan cotton operatives \$40,000,000 or more to handle this season's

cotton crop. Cotton producers who need some of this money would do well to compare the rate charged by Wall Street with the rates charged by their respective local banks on similar loans."

Grain Merger

- An editorial in Modern Miller for June 21 says: "The American Farm Bureau Federation have made known their plans to acquire the principal grain terminal facilities at Chicago. The plan is definite to the extent that the leading grain firms are willing to turn over their elevator properties to farm bureau operation. It is also definite that the Farm Bureau Federation will make the effort to finance the transaction, but the plan is only tentative and not certain of accomplishment. The names of some large financial factors in the East have been mentioned frequently in connection with the plan, so it seems that it is not chimerical and is in a fair way to be financed. The company organized to take over the operation of these great terminal elevators will serve all former interests as well as individual grain interests. In rough the capacity of the elevators controlled by these interests to be acquired is around 25,000,000 bushels. Whether all of this capacity is included in the plan is not stated."

Grain Merger

- 2 An editorial in The Price Current-Grain Reporter for June 25 says: "If the plan goes through it will mean that the farmers will eventually own outright grain handling facilities of several of the grain firms in Chicago and would also have the machinery necessary to market, finance and distribute the grain from grower to consumer. It is reported that the administration at Washington would be favorably inclined toward the transaction, as it would bring to the farmer cooperative marketing in the fullest sense of the phrase. There is, however, a vast amount of research and detail to be encompassed before the transaction can be consummated, chief of which is the method by which the deal might be financed. Details, as announced by O. E. Bradfute, president of the American Farm Bureau Federation, are meager."

Protection in Australia

An editorial in The Grain Growers Guide (Winnipeg) for June 25 says: "Because the Australian farmer can not be protected in his own market, and because he has to pay the shot for the protection of manufacturing industry in Australia, Premier Bruce, prime minister of Australia, announces a new policy for agriculture. The Commonwealth Government will appropriate money for the purpose of promoting the interests of agriculture in overseas markets, in cheapening and facilitating transportation to such markets, and in devising, in cooperation with the State governments, other measures to assist agriculture at home. It will spend money in finding new markets and in developing the existing markets for Australian farm produce, in subsidizing ocean transportation, in bounties on exports, and on the improvement of refrigerator services, and will seek to secure better and cheaper transportation facilities in Australia itself. The idea underlying this policy is evidently that the contribution which the farmers make through the protective policy to the support of secondary industries will be returned to them in these special privileges...It is a proposal that inasmuch as

the farmers can not be protected in the market in which they must sell their produce, they shall, by special concessions, be allowed to share in the special condition created by the protective system at home. Industrial workers share in it by the fixing of conditions of employment; agriculturalists are to share in it by concessions intended to reduce the costs of marketing their produce. The new protection, in effect, is an admission that a protective tariff raises prices and is a burden upon parts of the community and that equity demands some form of readjustment. That readjustment protectionists propose to make in an effort to apply protection all around, which logically, is the negation of protection, since if it be equitable, it means returning to the people what has been taken from them by protection, thus leaving everybody just where they were..... 'Judgment throughout the agricultural areas which constitute the basis of Australia's welfare,' says the Country News, official organ of the farmers of South Australia, 'will be by no means unanimously favorable to the newest protection.'

Tariff on Grains Interstate Commerce Commission further postponed from June 29 until July 29, operation of certain tariffs of the Chicago, Milwaukee & St. Paul Railway which propose to revise the rates on grain and grain products from points in Illinois, Iowa, Minnesota, Missouri, Nebraska, South Dakota and Wisconsin, to Texas. Revision would result principally in increases. (Wall St. Jour., June 30.)

Wool Situation An editorial in Western Breeders Spirit for June 26 says: "Of late years the wool grower has been more prosperous than his fellow-producers in any other line of agriculture. This year the situation seems to be somewhat less favorable. The price of his product has dropped. There is something the matter. A wool man writing in an exchange says, in effect, that it is largely a matter of organization. He points out that the poverty-stricken cotton grower of the South is now doing better than the wool grower--due, he says, to energetic and enthusiastic organization work. The same writer indicates another difficulty. Wool is selling in Europe at better prices than here. Other parts of the world apparently appreciate good wool more than we in America. The lower price obtains in this country in spite of an import duty of 31 cents a pound on scoured wool. Another episode of the story is that the export of rags from Great Britain to the United States has increased ten-fold-- a rather startling fact. The fact is that the American public doesn't know when it is buying good stuff or poor. The American people need a lot of education along this line, and it might pay the organized wool-producing interests of the country to undertake the job. Producers in certain other lines have very materially improved the financial status of their respective industries by using organized publicity. The American wool growers would be doing both themselves and the public a service by conducting a publicity campaign as to just what goes into the clothes we wear."

Section 3 MARKET QUOTATIONS

Farm Products

For the week ended July 3: North Carolina Irish Cobbler potatoes declined in most markets, closing at \$3 to \$4 per barrel. East Shore Virginia stock 25¢ to 50¢ lower at \$3.50 to \$4.25 in leading cities; 85¢ to 90¢ lower at shipping point at \$3 to \$3.15. Mississippi tomatoes continued firm to stronger at \$1.15 to \$1.75 per four basket carrier in city markets. Georgia peaches, Carman's, medium to large sizes slightly stronger at \$3.50 to \$4.25 per six basket carrier in a few markets; best \$1.50 f.o.b. Florida and Georgia Tom Watson watermelons, 24-30 pound average, generally weaker at \$3.10 to \$5.25 bulk per car in leading markets; \$80 to \$200 f.o.b. Valdosta, Ga. California cantaloupes, Salmon Tints, standards 45's \$1 higher in New York at \$3.50 to \$4; weaker at \$2.25 to \$2.50 in midwestern markets; \$1 to \$1.15 f.o.b.

In eastern wholesale fresh meat markets beef was 50¢ higher; veal 50¢ lower to \$1 higher; lamb \$2 to \$4 up; mutton \$2 higher with pork loins \$1 to \$3 higher.

Hay market continues seasonal dullness.

Average price of Middling spot cotton in 10 designated spot markets declined 140 points during the week, closing at 28.25¢ per lb. New York July future contracts declined 75 points, closing at 28.72¢.

Butter markets featured by quiet trading and a nervous unsettled feeling throughout the week, although the tone at the close to-day was firm. Production very heavy and an active into storage movement continued. Cheese markets firm under fairly active trading. Storage situation holds center of attention.

Grain market lower at end of week. Wheat and corn future lose large part of week's gains. Wheat finished fractionally higher than last week's close; corn almost two cents higher. Oats in sharp decline Thursday, closing 2 3/4¢ below last week. Cash grain market less active. (Prepared by the Bu. of Agr. Econ.).

Industrials and Railroads	Average closing price	July 5,	July 3,	July 5, 1923.
	20 Industrials	96.43	96.48	87.90
	20 R.R. stocks	86.16	86.00	77.64
(Wall St. Jour., July 7.)				

DAILY DIGEST

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Vol. XIV, no. 6

Section 1

July 8, 1924.

Foreign Cotton

An editorial in The Washington Post for July 8 says: "The International Cotton Federation has published a complete conspectus of the cotton growing resources of the British empire, as well as of several other countries outside the United States and Egypt. The general result of the inquiry is the conviction that the necessity for extending cotton culture in countries outside the United States is more urgent than ever, owing to the high cost and diminishing yield of American production. Under the ravages of the boll weevil apparently a crop of 13,000,000 bales, and possibly not more than 9,000,000, is the extent of American production. The conclusion is: 'It can not be expected that the Lancashire spindles will permanently work full time until the industry receives cotton supplied on an economic basis and not at the high level of prices that have ruled during the last seasons, due to the falling off in yield, high cost of land, and the high wages of the U.S.A.'"

Agriculture in the South

Fairfax Harrison, President of the Southern Railway, in the annual report made public yesterday predicts that the growth and expansion of business and agriculture in the South will continue despite the temporary slackening up of business. "Aside from the temporary ill effects of a backward planting and growing season," he said, "the general improving tendency in agricultural conditions in the South continues. A better understanding of the problem of cotton raising under boll weevil conditions, as well as crop diversification, is contributing to the improvement. The large fruit crops in prospect should find profitable markets." (Press, July 8.)

New England Dairy-men Cautioned

An Amherst, Mass., dispatch to the press of July 6 states that the Massachusetts and Vermont Colleges of Agriculture, in a joint statement July 5 caution the dairymen of New England against hastily joining any New England-wide marketing organization with the hope that it can control milk prices by establishing a monopoly. Local ownership and operation of cooperative milk plants are advised as the best form of organization for most dairymen in this region. The statement asserts: "Mergers have demonstrated that a medium-sized unit is quite as profitable as a large one. The authors of this article see no guarantee of effective management in a New England-wide system. No one has yet devised a way to make profitable plants out of those wrongly built in the wrong place." Cooperation on any sale, the statement continues, can not overcome a general agricultural depression, because it can not maintain a monopoly price for any commodity so easily and widely produced as milk.

World Power Conference

A London dispatch to the press of July 7 says: "Among the numerous plans for establishing super-power systems outlined to-day before the world power conference was the announcement by Prof. Duido Semenza that Italy intends to send electric power into Sicily by means of a four-mile long span across the Strait of Messina....."

Section 2

Agriculture in
Democratic
Platform

An editorial in Illinois Agricultural Association Record for July 5 says: "The original draft of the Democratic agricultural plank...was prepared in counsel with representatives of organized agriculture and others who are prominent in the party and who are acknowledged students of the agricultural situation. O.E. Bradfute, president, and Gray Silver, Washington representative, respectively, of the American Farm Bureau Federation, were present and actively participated in the conference and presented the proposed plank to the committee. Also, Robert A. Cowles, treasurer of your association, was present, at the request of Mr. Bernard M. Baruch. Mr. Baruch is a staunch advocate of the principles that were embodied in the McNary-Haugen bill, recently defeated in Congress, and affirmatively supported the bill. His sympathetic and thorough understanding of the agricultural situation in this country was generally recognized in the Democratic Convention, so that the plank resulting, now submitted to the voters of the country, may be said to be constructive and fairly definite as a basis for administration and future legislation."

Bank Loans

Glenn Griswold, Chicago correspondent of the Philadelphia Ledger, says in the issue for July 3: "The average western banker is reconciled to the Federal Reserve policy that fixes a discount rate considerably below the average customer rate. He may still insist that it is bad economics, but he admits that at times it is profitable. Agricultural districts have done very little liquidating in recent months and are not expected to accomplish anything in this direction until the harvest virtually is completed. There is plenty of demand for money from the country and while the real necessities of the situation are being met, it would be easy for central Reserve banks to double their country-bank loans. Federal Reserve loans in this district are at the lowest point touched since October, 1917. Member-bank loans are continuing to show some shrinkage, and the bank call will indicate a greater idle surplus of funds than has been accumulated in this district in many years."

Cream Stations

An editorial in The Dairy Record for July 2 says: "Will direct shipments supplant the cream station system among the centralizing creamery industry? Opinions differ, but some States report a very marked increase in the tendency to do away with the station. The moot question is, which of the two methods is the more expensive, results considered? Advocates of the cream station insist that the expense of maintaining a station is no greater than the advertising expense which would be involved in securing the same amount of patronage by direct shipment; some hold that the station method is considerably cheaper. They also claim that they can get a better quality of raw material than by direct shipment. Those who cater to direct shipments take the opposite view, of course. In any event, there appears to be a growing tendency to do away with the policy of starting a cream station every place a competitor has one, and of attempting to encroach upon the territory of a local creamery, although this is not altogether the case in

Minnesota at the present time. But, in general, the centralizer creamery is learning that the local plant is a poor thing to try to buck, and that too many cream stations in one town means all expense and no profit."

Grain Prices

An editorial in The New York Journal of Commerce for July 2 says: "There is a disposition in a good many quarters to the view that recent improvement in grain prices will do a good deal to bring about a better business situation generally. There can be but little question that a closer balance between grain values and those of other commodities would, other things being equal, help substantially to remove some of the more serious difficulties that business has been facing for some time past. Much the same would be true of the prices of several other agricultural commodities. The situation in this respect ought to be studied discriminatingly, however. Higher grain prices will aid the embattled farmer only to the extent that he has grain to sell or obtains it at reasonable costs. The extent to which the farmer will be benefited by higher wheat or corn prior to the time the new crop comes into the market depends upon the amount of these commodities there is left on his farm, except, of course, for such matters as the strengthening of his credit. There is likewise another aspect of this matter that ought not to be overlooked. Wheat and corn are higher now than they were by reason largely of the fact that the crop outlook is not as good as it was. Those farmers whose crop has been destroyed or greatly damaged by weather or insects will derive but little benefit from higher prices any more than the Georgia farmer, whose cotton was destroyed last season by the weevil, gained by the high cotton prices of the past winter. Even where weather and other damage has been spread fairly evenly among producers unit costs are thus raised in most cases more or less substantially, thus leaving a smaller margin of profit from higher prices than would otherwise have occurred."

Hawaiian Starch

A Honolulu dispatch to the press of June 20 says: "The possibility of starch production here, which will bring an annual revenue of millions of dollars, has been pointed out to the Industrial Development Committee of the Honolulu Chamber of Commerce by Edouard R. L. Doty, who with his father and brother has been experimenting in this industry for seven or eight years. Through exhaustive experiments under various conditions, Doty said, he has determined that five tons of starch can be produced from an acre of canna starch plants in sixteen months without the use of fertilizer. On this basis and under present prices, which are not abnormal, 1,000 acres of canna plants could be made to produce a gross return of \$200,000, or \$2,000 an acre. Doty's figures show that a better grade of starch can be produced from the canna at half the cost of corn starch and that the new industry, if actually established here, would be almost entirely export business."

Milling in Bond

An editorial in The Southwestern Miller for July 1 says: "To all who are sincere in their support of the American wheat industry it is astonishing to find that two different appeals are being made

at Washington on the question of the exportation of flour milled in bond from Canadian wheat. One appeal--the appeal that is nothing short of treacherous to the growers of wheat of the United States--is for the handling of the milling in bond privilege in a manner which would deprive American wheat growers and American millers who grind only United States wheat of a market which they themselves help to create. The other appeal is the only one which any American who is fair to the American wheat industry can make with consistency. This appeal is for the observance of the preferential tariff arrangement with Cuba whereby only American flour ground from American wheat is permitted to enter Cuban ports at the preferential duty.....Subterfuges will be of no avail in the final settlement of this tremendously important question. There is said to have been shedding of tears lest the closing of the Cuban loophole prove damaging to the American market for African rubber grown by black men. Alarms of this sort are not going to divert anybody's attention from the real points at issue in this highly important question. Cuba entered into a preferential tariff agreement with the United States because it deemed it good business ...The Cuban Government would not have been able to enter into this agreement without the assent of the American people, including the millions who are engaged in the wheat industry. There was never any intent to provide anybody with a loophole to make the agreement, so far as flour is concerned, a boomerang to American wheat growers and the millers who grind their grain. The agreement was not made for the benefit of the milling business alone; it covers the wheat industry as well. No miller, whether his plant be in Philadelphia, Kansas City, Buffalo, Galveston, or any other point, has any ground for assuming that the preferential tariff with Cuba was arranged to give him a loophole for exporting flour milled from Canadian wheat at the expense of the American wheat industry. The preference was intended for the American wheat industry as well as for the American milling business. There should be no betrayal of the interest of either in this or in any other case involving preferential tariffs."

Progressive
Farming

An editorial in The New England Farmer for June 21 says: "Few people will disagree with the assertion that farming, if it is to be at all prosperous, must to-day certainly be progressive farming. Unless engaged in some such time-honored industry as the reproduction of antiques or the aging of a rare cheese, any man can add to his prosperity by added progressiveness. What constitutes progressiveness in farming? An up-to-date knowledge of soils and soiling, crops and cropping, feeds and feeding, markets and marketing. More than that, the constant putting into practice of that knowledge, once it is gained.....Cooperation is the soul of progressiveness; and if the individual farmer ignores the cooperative aid offered by the State or by his neighbors, he is blindly cutting himself off from whatever prosperity progressiveness in farming can bring."

Section 3
MARKET QUOTATIONS

Farm Products

July 7: East Shore of Virginia Irish Cobbler potatoes generally weaker at \$3 to \$4 per barrel, top of \$4.25 in Boston and Chicago; \$3 to \$3.25 f.o.b. Onley, Va. Georgia peaches, Carmans 50¢ to \$1 lower in most markets, ranging \$2 to \$2.75 per six basket carrier and bushel baskets; \$1.25 f.o.b. Mississippi tomatoes steady to firm at \$1.25 to \$1.65 per four basket carrier in eastern cities. Tennessee sixes \$1.65 to \$2. California cantaloupes Salmon Tints, standards 45's, firm in eastern markets at \$2.75 to \$3, slightly weaker elsewhere at \$2.25 to \$2.65. Florida and Georgia Tom Watson watermelons, 22-30 pound average, tend lower at \$260 to \$475 bulk per car in New York; \$200 to \$400 in Chicago; \$80 to \$200 f.o.b.

Chicago hog prices closed at \$7.30 for the top and \$6.70 to \$7.20 for the bulk. Medium and good beef steers \$7.75 to \$10.50; butcher cows and heifers \$3.50 to \$9.75; feeder steers \$5 to \$9; light and medium weight veal calves \$1.25 to \$1.50 at \$8.75 to \$10.75; fat lambs \$12.25 to \$15; feeding lambs \$10.25 to \$12; yearlings \$9.25 to \$12.50 and fat ewes \$3 to \$6.25.

Closing wholesale prices on 92 score butter to-day: New York 42¢; Chicago 39 1/2¢; Philadelphia 42¢; Boston 42¢.

Average grain prices quoted July 7: No.1 dark northern spring Minneapolis \$1.23 1/2 to \$1.47 1/2. No.2 hard winter Chicago \$1.15 1/4 to \$1.22 1/2; Kansas City \$1.06 to \$1.25; St. Louis \$1.12 to \$1.13. No.1 red winter Chicago \$1.16 3/4. No.2 red winter Kansas City \$1.08 to \$1.11; St. Louis \$1.20 to \$1.21. No.2 yellow corn Chicago \$1.00 1/2 to \$1.01 1/4; Minneapolis 94 1/2 to 95¢. No.3 yellow corn Kansas City 94 to 94 1/2¢; St. Louis \$1.00 to \$1.01. No.3 white corn Kansas City 96¢; St. Louis \$1.03 to \$1.05. No.3 white oats Chicago 52 to 54¢; Minneapolis 49 to 49 1/2¢; Kansas City 55 1/2¢; St. Louis 56 to 58¢.

Spot cotton closed at 28.06. July New York Futures closed at 28.58. (Prepared by the Bu. of Agr. Econ.)

Industrials and
Railroads

Average closing price	July 7,	July 5,	July 7, 1923.
20 Industrials	96.91	96.43	89.41
20 R.R. stocks	86.66	86.16	78.70

(Wall St. Jour., July 8.)

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Vol. XIV, no. 7

Section 1

July 9, 1924.

Farm Wages in England

An editorial in The Field (London) for June 26 says: "The principle of the Agricultural Wages Bill must now be regarded as accepted by the House of Commons. Considerable changes in detail will probably be made in the committee stage, but the farming industry has no choice but to accept the main principle of wage fixation by law until such time as it is prepared to put forward an alternative method of ensuring a decent wage to the farm labourer. It is a fact beyond all question that the majority of farmers were opposed to the bill as introduced by the Minister of Agriculture, but the preponderance of urban votes in Parliament is such that the opinions of those who earn their living in the industry were of little avail. Further opposition by farmers is useless, and now it only remains for their representatives to try and mould the bill so that it may bring some ultimate benefit to the industry. In the course of the debate on the Second Reading it was suggested by more than one speaker that, if farm labour had been an organised force comparable to labour in the building trade and labour on the railways, the present situation would never have been allowed to arise. It must be admitted that farming, in common with all other industries, does harbour a few employers who are not unwilling to take advantage of an absence of organisation among their workers. But it is absurd to carry the argument so far as to say that the arbitrary enforcement of an increase in cash wages will drive farmers to adopt more efficient methods of production. The general body of farmers are not so lacking in initiative that they have waited through years of depression for the stimulus of an increased wages bill before starting to put their house in order. Trade unionism in agriculture has certainly had a chequered career and, if one can judge from the reported loss of 70,000 members from the labourers' unions since the War, the future outlook is not bright. However, if the ideal of localised collective bargaining between masters and men is to be realised in agriculture, some organisation among the men is essential to maintain an even balance. Indeed it is questionable whether the industry would not be in a healthier condition if the workers in a district were in a position to assert their claims for themselves without the intervention of Government officials in Whitehall. It is true that the farm workers' unions have sometimes been considered a nuisance by farmers, but, generally speaking, farmers have not been hostile to their formation....An impartial observer might well come to the conclusion that the existence of a flourishing trade union among farm workers, comparable to the National Farmers' Union among their employers, would be to the benefit of the industry. The practical difficulties have been almost insuperable in the past, but with the education of the farm worker and improved means of communication, the growth of the movement may not be long delayed. Masters and men realise that farming is essentially a business in which good personal relations are essential to success; and these partners could, with advantage, be established on a fairer footing for the purpose of negotiation in the many matters affecting their well-being. If agriculture is to be denied a measure of financial aid from the State, the aim of masters and men should be to extend this independence to the management of the internal affairs of the industry to the exclusion of Government intervention."

Section 2

Agricultural
Colleges

An editorial in The Banker-Farmer for July says: "We have at our agricultural colleges large storehouses of knowledge. We are spending a good deal of time and energy in talking of tax assessments but the burden of taxes is in no way comparable to the burden that we are carrying due to the lack of application of knowledge to the problems of the farm. The agricultural colleges and experiment stations have been working on the problems that confront the farmer. They have tested out various varieties and methods, have developed rotation systems and improved methods of livestock feeding, have discovered important factors in the breeding of livestock, and have done much to control animal and plant diseases and insect pests. In nearly every State where we have held banker-farmer conferences, the bankers present have been greatly surprised at the number and importance of the new discoveries and improved methods practiced at these institutions. Again and again have they expressed the wish that all bankers of the State could see and hear what they have seen and heard. They have recognized that if the farmers could only become acquainted with these developments it would mean much for the agricultural improvement in the respective banking communities. It is to the interest of bankers and other business men to become familiar in a general way with what the agricultural colleges are doing and thus be in position to direct their farmer customers to this source of knowledge and inspiration. If these farmers can be induced to follow the methods worked out at the agricultural colleges, it will add much to the financial assets of the community."

Butter Marketing
and Standards

An editorial in Who's Who in the Butter Industry for July 2 says: "....In butter marketing, as in the marketing of any commodity of widespread and uncontrolled production, and in which the volume of production is affected by climatic and seasonal variations, there are frequent changes in the relation of supply and demand and consequent fluctuations in value. Without some standardization of these fluctuating values the negotiation of prices in each of the innumerable transactions involved in the distribution of so vast a product would be cumbersome and costly. Lacking any guide as a reliable indication of values--any 'trading basis'--buyers would be compelled to spend much time in the quest for desired qualities and in testing out their ability to supply their needs at as low a price as market conditions permit. Sellers would have a similar task to test out the ability to secure the best price afforded by such constantly changing conditions. The economy of an acceptable standard of value is therefore manifest. Such a standard, utilized as a 'basis of trading' greatly facilitates distribution. It vastly increases the distribution ability of individual factors, and permits the movement of goods in regular channels of outlet with the least possible negotiation, permitting one such negotiation to serve for a continuous number of transactions during any possible number of fluctuations. It serves as a means of short-cutting distribution under certain conditions between widely separated sources of supply and points of final distribution...."

Crop Values

"Wall Street calculators are endeavoring to tot up in dollars and cents the value to the farmers of the country of the advance which has taken place in corn, wheat and oats since the first of the year. One of them figured it at well over a billion dollars,' says the New York Times. 'He estimates the additional value of the corn crop, because of the advance in the market price to be between \$500,000,000 and \$600,000,000 and the oats crop about \$125,000,000, and the balance being represented in the additional value of the wheat crop. The figures are likely to be wide of the mark because of the unknown quantity of the final outturn of these crops. Nevertheless, the advance in market price has had considerable effect in influencing sentiment, and the statisticians were listened to with interest.'" (Washington Post, June 28.)

Farm Implement
Exports

Exports of agricultural implements from the United States in May amounted to \$6,964,938, an increase of \$223,291, or 3 per cent over the preceding month, and \$1,945,079, or 39 per cent over the same month of 1923, according to the Agricultural Division of the Department of Commerce. Exports during the eleven months ended May, 1924, were 67 per cent greater than those in the corresponding period of 1923 and amounted to \$56,182,809. The largest increase in May was in miscellaneous harvesting implements and parts, which increased from \$199,594 to \$741,924. Exports of reapers and harvesters also showed a large increase in value. France was the largest buyer of these items. The number exported there was three times that exported to Argentina, with the value slightly more than one-half as great. This indicates larger shipments to Argentina of heavy units. (Press, July 6.)

Freight Rates and
the Farmer

An editorial in The Wall Street Journal for July 8 says: "In the recent past a brief paragraph was published in this column with the idea of provoking discussion. It was asked, if, in the impossible contingency of the railroads carrying the farmers' wheat for nothing whether the saving in freight rates would go into the pocket of the farmer or be swallowed up in the world market for wheat. The New York Commercial, taking the parallel case of a sandpit with an output used for building purposes, answered the question correctly. The producer of sand would get nothing more than he received before. In the same way the price for wheat on the farm would be what it had been before. This is true of any reduction in freight rates. The miller would try to pocket what he could, but the reduction, amounting to a few cents a bushel, would be distributed over the price of wheat in the world market. A reduction in freight rates is one of the will o' the wisps which is being danced before the eyes of the farmer by politicians in order to entice him still further into the swamp. Of course, no such reduction could be made without bringing about bankruptcy of the railroads handling wheat, when the receiver in bankruptcy would immediately reinstate the old rates or heavier ones. There are ways in which the railroads can help the farmer, but only where the farmer helps the railroads. A thoroughly solvent and prosperous railroad, applying surplus earnings to improving its transportation, can help the farmer by reducing the time consumed in transportation

and thus making him a better competitor in the world market. Somebody has to pay interest on the cost of wheat while it is in the railroad car, and this interest automatically adds itself to the price in a market where the American farmers' surplus for export is competing with wheat from all over the world. Last year a pool to supply seed wheat to distressed farmers was formed in southwestern Kansas and, amongst others, the Atchison Railroad put up \$225,000 with no better security than a pledge that the next crop would be used in part to reimburse the pool. The results were excellent. The distressed farmers, the dealers in grain and the railroads all profited, thanks to an excellent crop of winter wheat. If the farmer were really bankrupt or anything more than a small percentage of the wheat growers were in genuine distress the railroads would be the first to feel the consequences. The farmer has no interest in common with demagogues and labor agitators, but he has every interest in prosperous and efficient railroading. His political advisors in the nineties tried the experiment of driving the railroads into bankruptcy. All they succeeded in doing was to establish a hopeless level of common destitution. Prohibitive freight rates might destroy the farmer, but they could not do so without destroying the railroad first. So long as freight rates do not curtail consumption the farmer need not concern himself as to whether they are two cents a bushel or ten."

Grain Merger

Referring to the recently suggested plan for a gigantic grain merger, an editorial in American Miller for July 1 says: "This is a pretty large proposition. If accepted and the business is operated in connection with the farmers' cooperative elevators, there would be no need of developing a new marketing system; for the farmers would have one ready-made to their hands. It is doubtless expected that the Government would extend aid in taking over the terminal business, which would require between \$15,000,000 and \$25,000,000. The farmers would have a complete marketing system, which they have been demanding; the grain men are probably tired of constant legislative threats and hampering. For one thing the farmers would find that the grain business is not a source of vast profit which would increase the farmers' returns by saving expenses. They forget that an infinitesimal profit on a billion dollars worth of grain would make a few private fortunes in the course of time, but would be only a microscopic saving for the individual farmer. The Board of Trade could hardly be a speculative center with the big farmers' corporation dominating it. Liverpool would probably be the new speculative center, and the American farmers' business agents would have to hedge there. It is a revolutionary scheme and not even those with the keenest vision could possibly see all the consequences that might flow from its adoption."

Milk Pasteurization Nathan Straus, who inaugurated milk pasteurization in this for England country thirty-two years ago, is eager to have it adopted by England and he wants to give his personal aid towards that end, with the view of reducing disease and, in many cases, preventing death. The promise of his assistance was incorporated in a paper he prepared for the Third English-Speaking Conference on Infant

Welfare, which took place last week in London. It was read by a representative. "I promised Lord Balfour, who is so much interested in the welfare of the little ones, that I would make every effort to have pasteurization adopted in England," Mr. Straus wrote. "I want to make good this sacred promise. I beg of you to stand with me, to back me and to help me." (N.Y. Times, July 6.)

Section 3 MARKET QUOTATIONS

Farm Products

July 8: Chicago hog prices closed at \$7.35 for the top, bulk of sales \$6.75 to \$7.25; medium and good beef steers \$9.15 to \$10.40; butcher cows and heifers \$3.50 to \$9.75; feeder steers \$5 to \$9; light and medium weight veal calves \$9.25 to \$11.50; fat lambs \$12 to \$14.50; feeding lambs \$10.50 to \$12.15; yearlings \$9.25 to \$12.25; fat ewes \$3 to \$6.25.

Eastern Shore Virginia Irish Cobbler potatoes ranged \$2.75 to \$4 per barrel in leading city markets; \$2.75 to \$2.90 f.o.b. North Carolina and Norfolk stock \$2.50 to \$3.50. Kansas Irish Cobblers \$1.85 to \$2.25 sacked per 100 pounds in midwestern cities; \$1.50 cash track to growers. Mississippi tomatoes mostly \$1.40 to \$1.75 per four basket carrier in eastern markets. Tennessee sixes sold at \$1.50 to \$2.10. Texas fours \$1.75 in Chicago. Imperial Valley cantaloupes Salmon Tints brought \$2.50 to \$3 per standard crate of 45 melons in consuming centers; \$1.50 to \$1.65 f.o.b. Florida and Georgia Tom Watson watermelons, 22-30 pound average, sold at \$200 to \$350 bulk per car in New York and Chicago; labelled stock \$150 to \$200 f.o.b. Valdosta, Ga. Georgia peaches, Carmans ranged \$1.50 to \$2.50 per six basket carrier and bushel basket in city wholesale markets; \$1.25 to \$1.35 f.o.b. Hileys \$2.25 to \$3.25, mostly \$1.50 f.o.b.

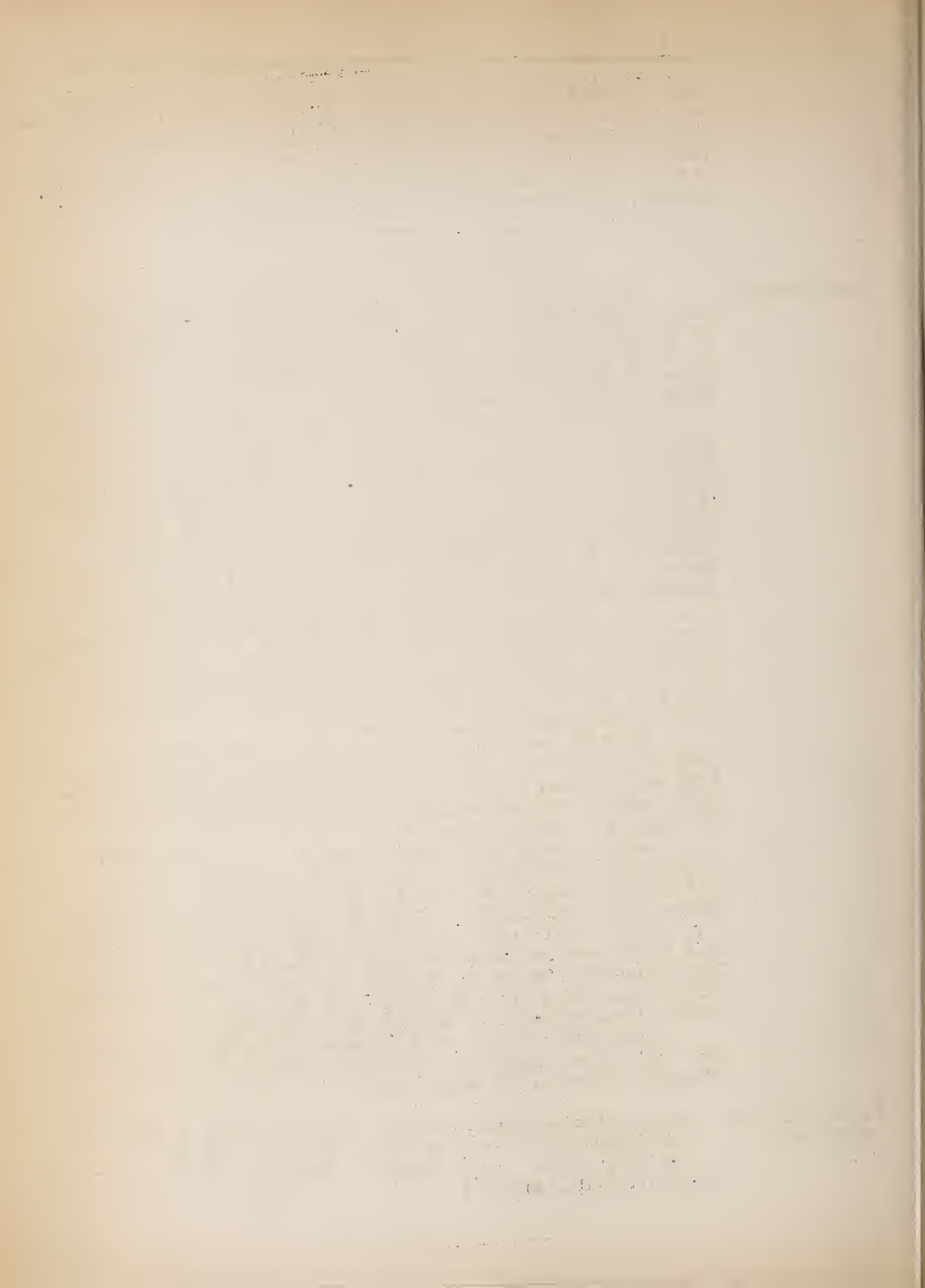
The 1924 production of watermelons for shipment in nine early States has been estimated at 37,659 carloads containing 1,000 melons each, compared with 32,442 cars last year. Preliminary estimate of commercial watermelon acreage for 1924 in the late States is 34,920 against 31,430 in 1923.

Average grain prices quoted July 8: No.1 dark northern spring Minneapolis \$1.22 to \$1.47. No.2 hard winter Chicago \$1.14; Kansas City \$1.04 to \$1.17; St. Louis \$1.12. No.2 red winter Kansas City \$1.09 to \$1.11; St. Louis \$1.20 to \$1.21 1/2. No.2 yellow corn Chicago \$1.02 1/2 to \$1.03; Minneapolis 96 1/4¢. No.3 yellow corn St. Louis \$1.02 1/2 to \$1.03 1/2; Kansas City 99¢; Minneapolis 94 1/4 to 95 1/4¢. No.3 white corn St. Louis \$1.06; Kansas City 97 to 97 1/2¢. No.3 white oats Chicago 52 1/4 to 53¢; Minneapolis 50 to 50 1/4¢; St. Louis 57¢.

Spot cotton down 1 point, closing at 28.05¢ per lb. New York July future contracts up 2 points, closing at 28.60¢. (Prepared by the Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	July 8,	July 7,	July 7, 1923.
	20 Industrials	97.56	96.91	89.41
	20 R.R. stocks	87.27	86.66	78.70

(Wall St. Jour., July 9.)



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Vol. XIV, no. 8

Section 1

July 10, 1924.

World Cotton

The total world supplies of cotton are not large, according to a review of the situation by the National Bank of Commerce, which adds that it is also reported that a considerable quantity of the existing supply is non-spinnable. It is pointed out, however, that in the present season certain influences have tended to halt the rapid encroachment on supplies which was seen in the 1922-23 season. World consumption of cotton from Aug. 1, 1923, to Jan. 31, 1924, was nearly 10 per cent lower than in the corresponding period in 1922-23. The use of American cotton particularly was curtailed, a fact that is said to be in line with the tendency noticeable in several seasons past for foreign spinners to reduce proportionately consumption of American fiber and to substitute cotton of other countries. (Press, July 10.)

Cotton Mills

A Charlotte, N.C., dispatch to the press of July 9 says: "Forward looking men in the textile industry are planning new cotton mills and preparing to launch bigger enterprises during the coming year. They are doing this in spite of the fact that the cotton mill situation is at present affording business men one of the hardest puzzles they have ever tried to solve. This was the information given out by John W. Fox, Southern Power Company engineer, in discussing the textile situation as reflected in the curtailment of power furnished by his company to operate the mills. Cotton mill machinery, it is believed, is cheaper now than it will be later on, and by the time conditions again become stabilized, these forward-looking men will have completed their mills and will be in position to take advantage of the good markets."

Northwest Crops

A Minneapolis dispatch to the press of July 9 says: "The next three weeks will decide the crop question in the Northwest and with that will be decided the trade situation for the fall and winter. At the close of the first week in July, northwest crops, on the whole, were showing up very favorably. Corn is backward. In this territory the rule is that corn should be kneehigh at the Fourth of July. It was far from that growth in most localities, but there is yet plenty of time for it to develop and mature. Business men in general are gaining in optimism over the outlook. Ralph Budd, president of the Great Northern, predicts much better trade conditions in the fall if the crop prospects hold out. Each succeeding call for bank statements by the Federal Government and the State show that the financial situation steadily is strengthening. The June 30 reports by Minneapolis banks, for example, show an unusually wide margin between deposits and loans which of course also reflects the slowing down of business during the past few months. The employment situation in this section is practically unchanged. Industrial plants are not increasing their forces and building in both the cities and country continues quiet"



Section 2

Agriculture in
the West

A Kansas City dispatch to the press of July 7 says: "Economic changes have brought a marked betterment in general conditions in the Tenth Federal Reserve district, with Kansas City as its center. Naturally the Central Western and Corn-Belt States and the big bulk cattle, corn, sheep, wool and mohair States of the West and Southwest are anxious to see a revival in business in the Atlantic seaboard, to which they supply so many raw products and foodstuffs."

Anti-Cooperation

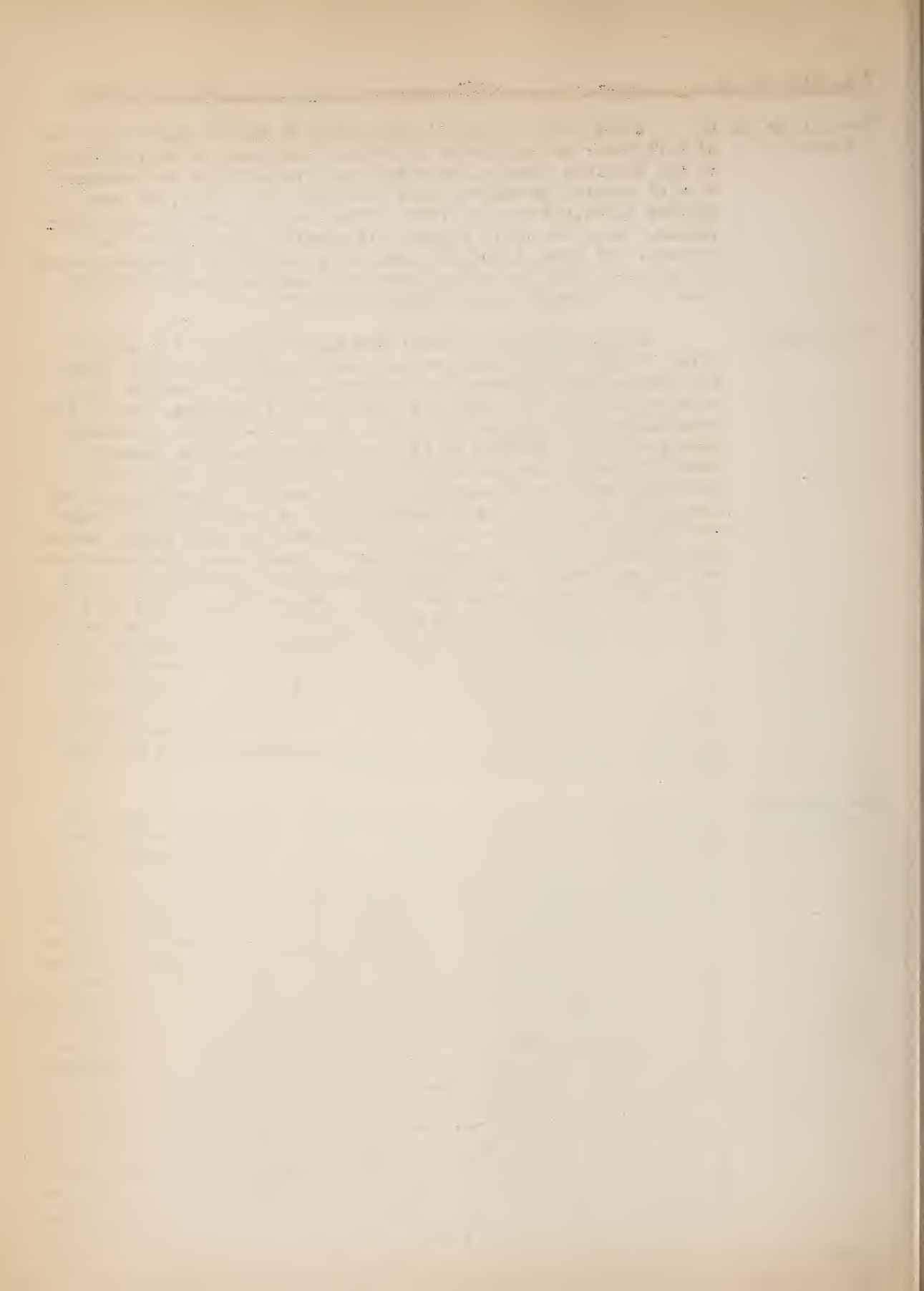
An editorial in Hoard's Dairyman for July 4 says: "It passes all understanding why any anti-cooperative propaganda should be circulated among farmers who are attempting to establish cooperative enterprises. We know of no other business undertaking that receives this kind of treatment. Farmers have just the same rights to establish a cooperative enterprise, whether it be for manufacturing their products or for marketing them, as has a corporation a right to form an organization for the purpose of carrying on its business. The National Council of Farmers' Cooperative Marketing Association, under the direction of Walton Peteet, has recently issued a statement to the effect that anti-cooperative propaganda appeared simultaneously in each of the recent cooperative drives. We believe those engaged in this character of work could well devote themselves to minding their own business. In the last analysis it is no one's affair but the farmer's whether he joins a cooperative association or not and he needs no advice from those not interested in cooperation. There should be some way to deal with those who spread false reports regarding cooperative organizations, and we would not mind if the law were so strong that a few jail sentences would be meted out to those engaged in spreading false statements regarding any cooperative association. While those who would destroy cooperation among farmers by spreading false statements should be dealt with vigorously, yet we believe the greatest handicap to our cooperative movement lies within the hands of those who are directly interested in it. We regret to read exaggerated statements as to what cooperation will do to save agriculture. Promises that can not be fulfilled are too frequently made. These are boomerangs to cooperation and will do more to destroy it than any outside agency or enemy of cooperation. When an advocate of cooperation states that the farmers know how to produce and that all that is necessary is to form a cooperative marketing organization and their problems will be solved, he is making a misstatement of facts. Such promises are positively harmful to cooperation. We have pointed out many times that so long as we have cows producing less than 150 lbs. fat in a year, yes, less than 250, the dairy farmers are not as efficient as they ought to be. No system of cooperation will make it possible for men owning poor producing herds to make a profit. Those who are earnestly and honestly advocating cooperative enterprises among farmers are doing an injustice to this good cause when they fail to state to their farm audiences that cooperation will not make up for inefficiency. It will not prevent overproduction and cheap prices when the farmers blindly produce too much and disregard completely the cost of production."



Fertilizer Use in France A New York dispatch to the press of July 5 states that use of fertilizer is increasing in France, according to Paris advices to the American Chemical Society, which report that the consumption of natural phosphates last year was about 1,366,856 tons, against 1,086,172 tons in 1920. "The largest part of these phosphates," says the Paris report, "is supplied from Algeria and Morocco. Of this, 1,200,000 tons are converted to superphosphates. The production of superphosphates last year was about 2,275,340 tons for a consumption of 2,213,000 tons."

Grain Merger An editorial in National Stockman and Farmer for July 5 says: "A plan under which growers would eventually control five big Chicago grain concerns and 5,000 cooperative elevators has been presented to the American Farm Bureau Federation. Here is an opportunity for producers to get in the grain-marketing business with both feet. Whether it is a good plan depends on details which at present are not made public. This scheme dwarfs all preceding ones, as it contemplates the transfer of mechanical and managerial facilities of concerns valued at over \$20,000,000 and now handling some 40 per cent of the country's grain crop. However this transfer might be brought about it would eventually mean buying the properties, and the only obvious way to finance the deal is for farmers to provide the funds. Before they do this they will want to know something about the probable economies of the business under new management, for on these economies will depend its success or failure. They will also wonder why present owners want to sell if the business is as profitable as they have been led to believe. These questions and others will doubtless be thoroughly looked into by the executive committee of the federation which has the plan under consideration. In a proposition of this magnitude they can not afford to make mistakes."

New Marketing Program An editorial in The Michigan Farmer for June 28 says: "A big battle is always preceded by skirmishing. This also appears to be true of struggles for progress along every line of human effort outside of the military field. The movement to improve the marketing of agricultural products evidently is following the same laws. The present marketing battle started with the organization of producers. It was the general opinion that organization was the last step in the solution of the perplexing problem of selling and distributing the products of the farm. It is now realized, however, that this organization work has merely been the preliminary skirmishing--the lining up of the forces--the studying of the strength of the conflicting elements. This preliminary organization work resulted largely from appeals to the feelings and prejudices of those induced to get together. The rank and file of the members of these organizations are almost as much in the dark as to dependable marketing information as they were when selling their products to private buyers. This, we believe, is not the result of a deliberate effort on the part of officers or leaders of farmers' organizations to withhold information, but is due largely to the fact that such information is not to be had. If this be true, we should take hope. According to late advices, plans are being formulated for a careful



study of the whole field of marketing as related to the distribution of farm crops. This, as we understand it, is not a program designed to support any theory about marketing, nor to sustain or destroy any institutions now existing; but it is for the single purpose of obtaining real facts on the subject. This new marketing program looks toward the analysis and classification of marketing experience."

Olecmargarine Laws

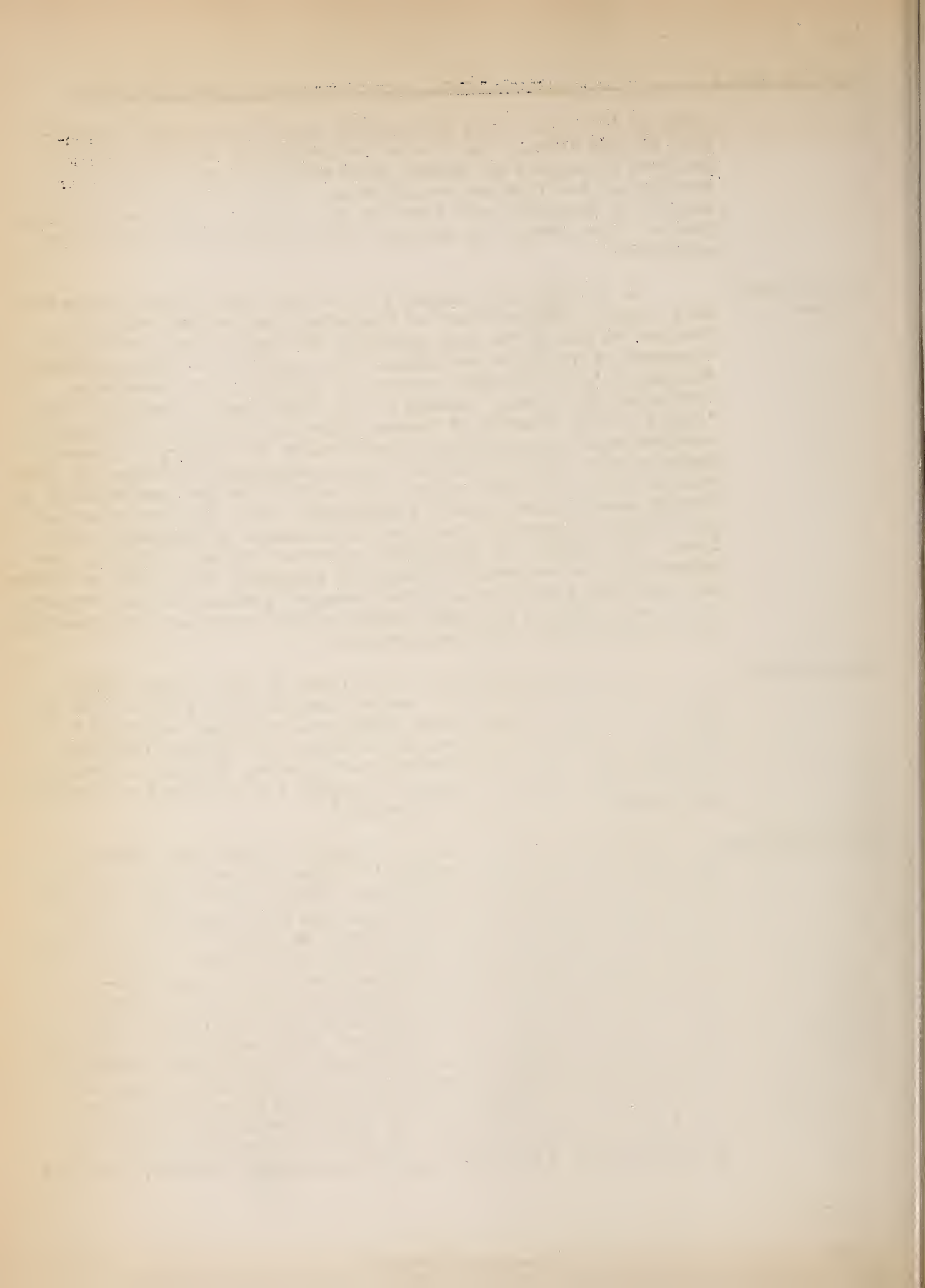
An Atlantic City dispatch to the New York Produce Review for July 2 says: "The Institute of Margarine Manufacturers will ask Congress to modify the laws governing the manufacture and sale of compounds of vegetable and animal fats described as 'olecmargarine,' 'margarine,' 'nut butter' and similar products. The resolution adopted at the closing session of the fifth annual convention urged 'relief to the industry of burdens inherited from the past when the products were regarded only as substitutes for butter.' Delegates declared that their product no longer masqueraded as butter and that changes during the past twenty years called for new consideration in Federal restrictions imposed a generation ago. The convention also took steps to appeal to the State legislatures to harmonize their laws. J.S. Abbott, of Washington, secretary to the institute, announced that a controversy aroused by complaint on the part of dairy-men regarding labels on margarine packages stating that the product contained vitamins had been settled by the Department of Agriculture, which approved the label in question."

Reforestation

A Harrisburg dispatch to the press of July 8 says: "More than 13,000,000 trees will be needed annually from 1925 to 1930 in the State" twenty-four forest districts, estimates submitted to the State Department of Forests and Waters by district foresters and made public by the department to-day show. A total of twenty-one different species of trees is needed, ten of which are evergreen, two larches and the others hardwoods."

Trade Conditions

"A period of improvement in trade, commerce and finance, familiarly termed a 'bull market,' running for two years or more, seems forecast by current conditions. Every genuine bull market is founded upon cheap money, cheap labor and cheap materials. The Federal Reserve rediscount rate (ninety day paper) is at the lowest point since the system was established, cheap money. Unemployment in this country is 1,300,000 greater than it was a year ago--abundant, if not cheap, labor. Commodity price indices (Fisher) are down from 157 plus to 143 plus in a year and from 247 since 1920--cheap materials. The 'things of which bull markets are made' are available. A seasonable upward movement in August, September and October (for which accumulation is probably now in progress) seems inevitable. Provided only the 1923-24 bear market is over, that rally can, from the logic of speculative events, lead to a bull market, for, at heart, all great stock market movements are psychological." (James A. Fayne in Commerce and Finance, June 25.)



Section 3
MARKET QUOTATIONS

Farm Products

July 9: East Shore Virginia Irish Cobblers 25¢ to \$1 lower ranging \$2.75 to \$4 per barrel in leading markets; \$2.50 to \$2.75 f.o.b. Onley, Va. Norfolk and North Carolina stock \$2.50 to \$3.50. Kansas Irish Cobblers \$1.75 to \$2.25 sacked per 100 pounds in mid-western cities; \$1.35 to \$1.40 f.o.b. California cantaloupes weakened in most markets, Salmon Tints, standards 45's, closing at \$2.50 to \$3.25 in consuming centers; firm at \$1.50 to \$1.55 f.o.b. Mississippi tomatoes firm at \$1.40 to \$1.65 per four basket carrier in eastern cities. Florida and Georgia Tom Watson watermelons, 22-30 pound average, slightly weaker at \$200 to \$350 bulk per car in a few leading markets; labelled stock, 24-30 pound average, \$150 to \$200 f.o.b. Valdosta, Ga. Georgia Carman peaches declined sharply in most city markets to a range of \$1.50 to \$2.50 per bushel basket and six basket carrier; \$1 to \$1.10 f.o.b. Hileys \$2.25 to \$3 in leading cities; \$1.35 to \$1.50 f.o.b.

Chicago hog prices closed at \$7.50 for the top and \$6.80 to \$7.40 for the bulk. Medium and good beef steers \$7.90 to \$10.60; butcher cows and heifers \$3.65 to \$9.85; feeder steers \$5 to \$9 and veal calves \$9.25 to \$11.50.

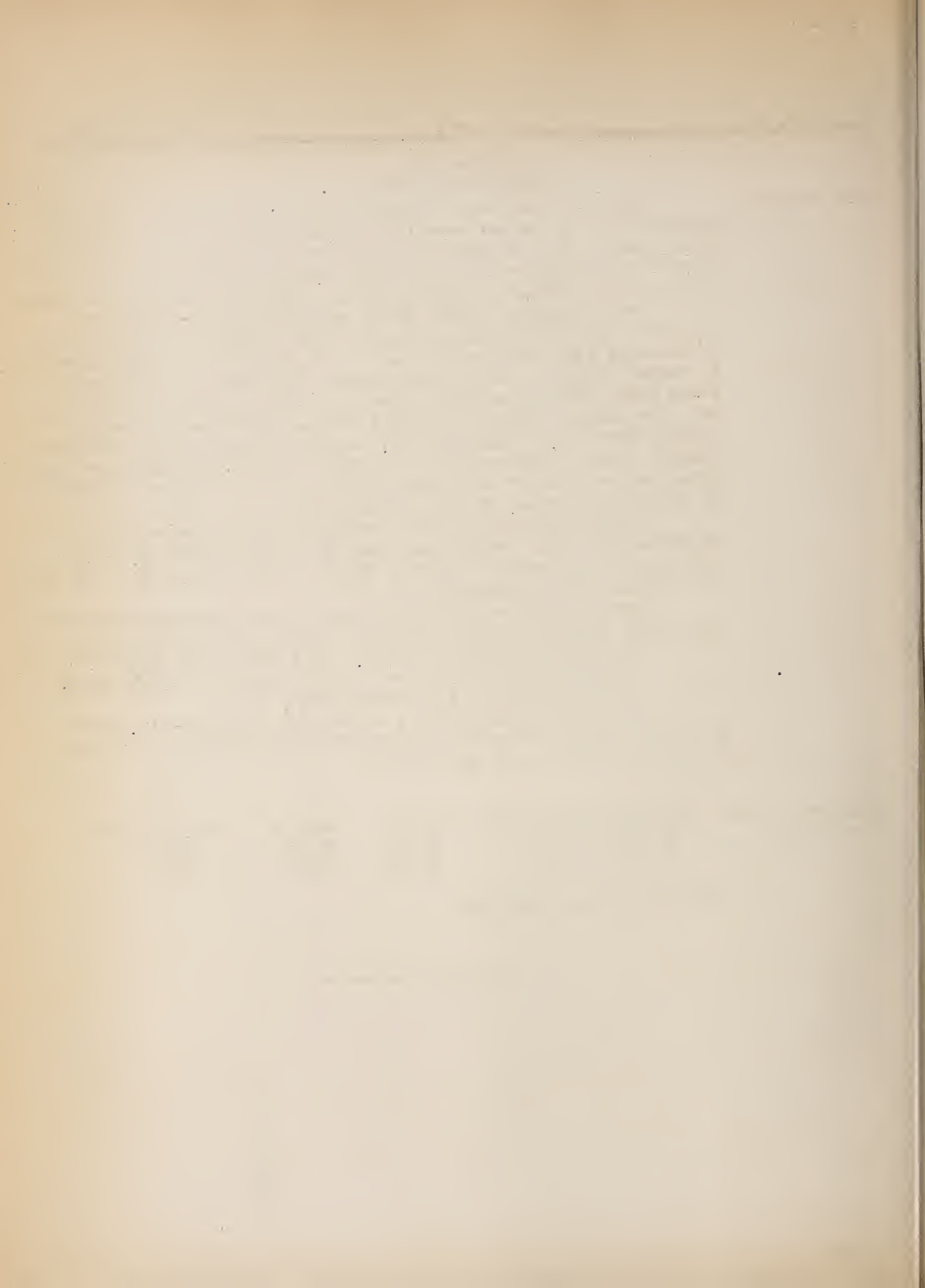
Average grain prices quoted July 9: No.2 hard winter Kansas City \$1.11 to \$1.15. No.2 red winter Kansas City \$1.10. No.3 yellow corn Kansas City \$1 to \$1.01. No.3 white corn Kansas City \$1.

Closing prices on 92 score butter: Boston 41 1/2¢; Philadelphia 41 1/2¢; New York 41¢; Chicago 39¢.

Spot cotton up 34 points, closing at 28.39¢ per lb. New York July future contracts advanced 90 points, closing at 29.50¢. (Prepared by the Bu. of Agr. Econ.).

Industrials and Railroads	Average closing price	July 9,	July 8,	July 9, 1923.
	20 Industrials	97.40	97.56	89.26
	20 R.R. stocks	87.32	87.27	78.72

(Wall St. Jour., July 10.)



DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIV, no. 9

Section 1

July 11, 1924.

A Farm Theory

Glenn Griswold, Chicago correspondent of the Public Ledger, in to-day's issue says: "A farm theory that has been overworked the last three or four years will be given a real tryout this year. Farmers, or, at least, statisticians and professional spokesmen for farmers, have been contending during the period of advancing corn prices that the price of corn is not of so great importance to farmers as the price of wheat, despite the fact that they raise three or four times as much corn as wheat. This is on the theory, of course, that more corn is consumed on the farm, while wheat is almost entirely a cash product....Each year corn is more of a cash crop than theretofore, and each year the old theory weakens. Furthermore, there is a more or less direct relationship between the price of corn on the farm and the price paid by packers for fat animals.....If cotton does not succeed in returning the southern farmer to prosperity in 1924, corn will help materially in that direction. Five of the corn-growing States show a condition of 75 per cent or better, as compared to an average of 72 per cent for the country. The natural corn-growing States suffered worst, with the exception that Iowa, which leads the Nation, shows a condition equal to the average for the country. Illinois, the second corn State, shows an average condition of 66 per cent, 20 points below that of a year ago. Indiana and Ohio promise now to be the real distress States, with Illinois a close third when final accounting is taken of the crop year.....It happens that the States whose distress has been most widely proclaimed are generally faring best in crop matters this year, while those that have been presumed to be so well diversified that they could survive by the grace of their own efforts will fare worst. In addition to the corn calamity in many leading States in the Middle West, winter wheat in those territories makes a poor showing....Discussion of agricultural conditions to-day naturally includes some reference to the closing of the First National Bank and the Citizens' National Bank, of Cheyenne. The first of these was a major catastrophe, not only because of the amounts involved, but because of the psychological effect it might have. The First National of Cheyenne is more than fifty years old and has been a financial landmark in the cattle country all that time. This development lends color to the suggestion that bank liquidation and adjustment is moving in a circle and, having virtually completed its business in Minnesota, Montana and the Dakotas, it is swinging in a southerly trend toward those border countries between the prairies and the mountains, that have expected such a visitation."

Butter Tariff

A Washington dispatch to the press of July 10 says: "The Tariff Commission to-day ordered an inquiry into the import rates on butter, the ninth product of the farm, concerning which an investigation has been undertaken. Complaints have been filed by American producers that the present rate of 8 cents a pound is insufficient to meet Danish competition."

Section 2

Agriculture in
the South

An editorial in The Washington Post for July 10 says: "The annual report by the president of the Southern railway carries figures showing increasing prosperity in the South. Based on investigation of conditions prevailing in that section, it sets forth the agricultural situation as steadily improving. It describes the industrial situation as most promising. In this connection it is significant, as noted in the report, that, in the past year when the cotton industry in other sections decreased output and silenced 92,510 spindles, southern mills added 782,665 spindles. The increase in the earnings of the Southern railway over those of the preceding year is in itself convincing evidence of the prosperity of the South. That railroad hauled more products to and from the South than ever before. This means that the South is rapidly developing its resources and increasing its population."

American Methods
in England

"The American educational and publicity campaigns for milk so impressed English dairy leaders that about a year ago they established a 'National Milk Publicity Council'. Enthusiasm for this movement was given a great impetus when the English delegates returned from their visit to the United States last fall at the time of the World's Dairy Congress. 'The Milk Industry', an English publication, has reported many discussions of what the visitors saw and heard in the United States. They are interested in bringing up the English consumption of milk and milk products as a trade and a health problem for the Nation to solve. Details of organization and methods in the United States were carefully studied and adapted to English conditions. At a meeting of the English Milk Publicity Council, as reported in the June issue of 'Milk Industry', funds were voted to engage the services of two American women to give lectures and demonstrations in England on their methods of reaching women and children. It was felt that this would not only be of direct help in their present campaign, but that it would assist their own corps of employees in methods of educating the public to a larger appreciation of the necessity of milk in the diet." (Hoard's Dairyman, July 4.)

American Tractors

"Word comes from Copenhagen that a shipment of Danish plows and American tractors has just gone forward to soviet Russia, via Libau, consisting of 100 plows and 150 tractors. The sum involved is \$119,000, which has been paid in cash by the soviet government through the Russian bank in Copenhagen. Turkey is also importing tractors. During 1921 only one tractor was imported to Constantinople, but in 1922, 127 tractors were imported and 115 in 1923. About two-thirds of the tractors in Turkey are of American make." (The Washington Farmer, June 26.)

Cotton Mills

The severe cotton mill curtailment in Massachusetts with its accompaniment of passed dividends--two more in the last two days--brings the total of cut or passed disbursements up to 23 since the first of the year....Mill men hold forth little hope for improvement until fall, when the new cotton supply becomes available. Old crop cotton is selling at a premium of about 5 cents a pound over the growing crop. Mills can not see their way clear to buy raw material

History

The history of the world is a long and varied one, filled with many different cultures and civilizations. It is a story of human progress and achievement, of the struggles and triumphs of our ancestors. From the earliest times, when our ancestors first began to live in organized societies, to the present day, the world has been a place of constant change and development. The history of the world is a story of the human spirit, of the human capacity for greatness and for achievement. It is a story of the human race, of the human family, and of the human future.

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at this premium, turn it into cloth or yarn and offer it on a stagnant goods market. Accordingly they are "cutting production to fit their pocketbook," as one mill treasurer puts it. Veteran mill men believe that curtailment and hand to mouth buying have created a large gap in the supply of goods. This is shown by the insistence on rush deliveries whenever even small orders are placed. A large Massachusetts mill was asked a few days ago to keep a supply of goods in New York ready for instant delivery. Such a request indicates that a quick face-about in conditions is possible at any time. (Wall St. Jour., July 9.)

Fertilizer Outlook A Baltimore dispatch to the press of July 7 says: "Fertilizer manufacturers are more optimistic over the outlook. They admit there has been no change in the volume of business, which is still anywhere from 35 to 40 per cent below normal, but count on the educational drive among the farmers, which has been inaugurated and improved selling methods to stimulate the industry within thirty days. Wheat growers place orders for fertilizers about August 1. Agents of the Committee on Soil Improvement of the National Fertilizer Association have been visiting the agricultural sections for several days, demonstrating to farmers how to increase crops, and reports from the field are to the effect that a favorable impression has been created. Selling methods have been revised for the purpose of stabilizing the industry, and this change also is expected to produce good results."

**Meat Packing
Industry**

An editorial in National Provisioner for July 5 says: "Standardization of effort and of quality of product has reached a high point in the packing industry, but is lacking in the other two great arms of the meat industry, except in individual cases. Because of the great number of individuals producing livestock there is little standardization of effort or product. Each grower operates to suit himself and raises the kind and quality of livestock which best suit his conditions and his crops. Efforts of farm organizations, purebred livestock associations and the Government have awakened the livestock producer to some recognition of himself as only a very small cog that must be fitted into the great industrial machinery if it is to operate as it should and he is to receive an adequate return for his effort. Such rural communities as have recognized this need of standardization have been rewarded. The retailer is in something of the same position in relation to the retail meat industry as a whole that the farmer is to livestock production. He has operated as an individual, generally without regard to anything but conditions that affected his immediate business....The appropriation granted by Congress to the U. S. Department of Agriculture for studies of the retail meat trade, in cooperation with the National Livestock and Meat Board, is a step in the right direction. The work should be continued from year to year until standards of operation for this great end of the meat industry are laid down. These standards should be so simple that they will form a satisfactory working basis for all retail meat dealers, the most successful of whom would approach them closest. With standardization weak on both sides of it, the

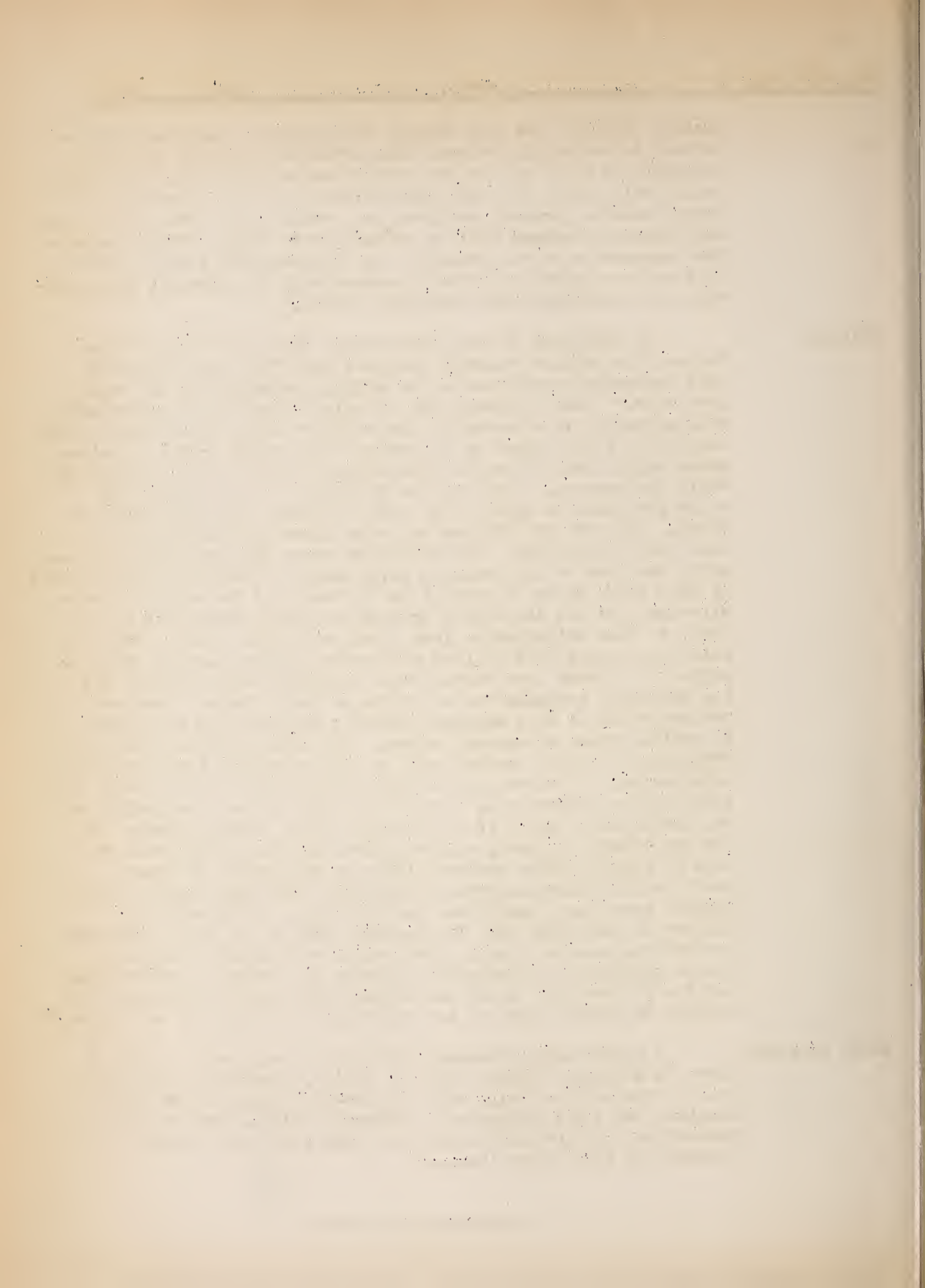
packing industry has been greatly handicapped. The more that can be done to establish national and sectional standards for the retailing of meat and for the production of livestock, the greater return will there be to all three branches of the industry. A finer finished product, marketed at a smaller cost will result, and the ultimate consumer will be encouraged to still further increase his consumption of the product. The improvements already adopted in these two great fields have demonstrated the enormous possibilities of concentrated and continued effort."

Milling

An editorial in The Northwestern Miller for July 2 says: "A very wise miller recently remarked that 'the next six weeks will determine conditions in the milling industry for the whole crop year.' What he meant was, of course, that the nonspeculative milling margin represented by the earliest sales of new crop flour would to a large degree be an index of the gross profit on subsequent sales, and affect the prosperity, or lack of it, through the whole twelvemonth. With the recollections of last year's bad start yet fresh in mind, it is easy to accept this philosophy as sound. The fall of 1923 was as bad a guessing time as millers have ever experienced. For no reason other than the desire to beat every one else to the trade, a large number of millers either frankly sold flour short or sold it on the basis of the option with no allowance for the inevitable premium on actual wheat...It is too early to take satisfaction from being out of the woods. There is still the danger that millers may become restive because wheat is beginning to move from winter wheat districts and they have not the customary accumulation of orders on their books. Too great contemplation of this unusual condition may yet lead to urgency in selling flour at unsound prices. The miller who is threatened with nerves on this account will do well to review his last year's experiences. If he was one of those who yielded to the desire for price selling adventures, he will find that he met the goblin and the goblin smote him. If he belonged to the smaller number who did not indulge in early sale experiments, his records will show that he booked better business later on and gained an honest profit on his first half-year operation. Just now, due to self-imposed restraint, conditions are wholesome. It remains for millers to keep them so. The industry can, if it will, enter the new milling year on a price level which will permit reasonably active employment of potential capacity on a basis of sound earning for its owners. Or it can repeat last year's experiences and indulge in another test to see which mills are fittest to survive."

Wheat in Kansas

A Kansas City, Missouri, dispatch to the press of July 8 says: "A statement issued by C. C. Scates, president of the State Bank of Dodge City, Kan., shows twenty-four southwestern Kansas counties and three northwestern Oklahoma counties will have a total production of 50,000,000 bushels of wheat, or about double the estimate of four weeks ago....."



Section 3
MARKET QUOTATIONS

Farm Products

July 10: Chicago hog prices closed at \$7.55 for the top and \$6.90 to \$7.45 for the bulk. Medium and good beef steers \$8 to \$10.60; butcher cows and heifers \$3.75 to \$10; feeder steers steady at \$5 to \$9; light and medium weight veal calves \$9.25 to \$11.75. Fat lambs \$11.50 to \$14; feeding lambs \$10.50 to \$12; yearlings \$8.75 to \$11.75 and fat ewes \$3 to \$6.25.

Eastern Shore Virginia Irish Cobbler potatoes slightly weaker at \$2.75 to \$3.75 per barrel in eastern cities; \$2.50 to \$2.60 f.o.b. Onley, Va. California cantaloupes, Salmon Tints, standards 45's irregular, ranging \$2.50 to \$3 in city markets; \$1.35 to \$1.50 f.o.b. Georgia peaches, Carmans weak at \$1.50 to \$2.25 per bushel basket and six basket carrier in city markets; few sales of large sizes at \$1 to \$1.10 f.o.b. Watermelons tend downward. Georgia Tom Watsons, labelled, 24-30 pound average, \$275 to \$370 bulk per car in New York; 22-30 pound average, \$100 to \$175 f.o.b. Florida stock 30¢ to 60¢ unit basis in a few cities.

Closing wholesale prices on 92 score butter: New York 40 1/2¢; Chicago 39¢; Philadelphia 41 1/2¢; Boston 41¢.

Average grain prices quoted July 10: No.1 dark northern spring Minneapolis \$1.24 5/8 to \$1.49 5/8. No.2 red winter St. Louis \$1.24; Kansas City \$1.11 to \$1.12. No.2 hard winter Chicago \$1.16 3/4 to \$1.19 3/4; St. Louis \$1.14; Kansas City \$1.08 to \$1.20. No.2 yellow corn Chicago \$1.07 to \$1.07 1/2; Minneapolis 99¢. No.3 yellow corn St. Louis \$1.09 to \$1.10; Kansas City \$1.05. No.3 white corn St. Louis \$1.10 to \$1.10 1/2; Kansas City \$1.02 to \$1.03. No.3 white oats Chicago 53 1/2 to 55¢; Minneapolis 51 1/4 to 51 1/2¢; St. Louis 59 to 60¢.

Spot cotton down 25 points, closing at 28.14¢ per lb. New York July future contracts declined 25 points, closing at 29.25¢. (Prepared by the Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	July 10,	July 9,	July 10, 1923
	20 Industrials	96.65	97.40	84.44
	20 R.R. stocks	86.83	87.32	78.38

(Wall St. Jour., July 11.)

DAILY DIGEST

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Vol. XIV, no. 10

Section 1

July 12, 1924.

Universal Cotton Standards A Washington dispatch to the press of July 11 says: "Some dissatisfaction having arisen in England in connection with the universal cotton standards agreed upon more than a year ago by the principal foreign cotton interests, officials of the United States Department of Agriculture and representatives of the American cotton industry, when the United States official standards were adopted as the universal standards, another conference of all interests has been called to meet in London July 21."

Farm Conference A St. Paul dispatch to the press of July 12 says: "Although agreeing that farm relief legislation is necessary and that an organization similar in scope and power to the American Federation of Labor is needed to carry on its work, members of the resolutions committee of the national conference of farm organizations were unable to determine to-day how such a central organization should be formulated. While the resolutions committee was in session, several hundred delegates to the conference, which opened a two-day session here to-day, were meeting elsewhere, discussing different phases of the agricultural situation. In the debate before the resolutions committee, of which William Hirth, of Columbia, Mo., is chairman, it was contended by several of the members that a central committee, formed of delegates from every State and representing all farm organizations, should formulate any legislative action to be taken in the interests of agriculture. Some were opposed to this proposal, asserting that the central committee should be elected only from the farm leaders and should act only in the capacity of a mouthpiece for the organizations now existing. Lack of cooperation among the national leaders has been charged by the farmers, according to Carl Gunderson, of Mitchell, S. Dak. 'If this conference is ever to accomplish any definite action, all differences among the farm leaders should be immediately eradicated,' he said. 'We are on the right track and we must pull together.' Defining the attitude which the United States, he said, must adopt toward agricultural interests, Representative L. J. Dickinson, of Iowa, addressing the general conference, stated that 'the policy of this country must be one of dual purpose--to put agriculture on a basis parallel with industry. Our campaign, after an executive program has been outlined, must be first conducted through local interests; second, we must appeal to a general policy interest combining financial, commercial and industrial welfare,' he said. Although the McNary-Haugen export corporation bill was defeated in the last Congress, its purpose will be continued with renewed strength, according to A. Sykes, of Ida Grove, Iowa. An equalization of prices for farm products, protective tariff for all produce without discrimination and a strong agricultural federation were advised by Gilbert N. Haugen, representative in Congress from Iowa, and coauthor of the McNary-Haugen bill."

Wheat Crop A Kansas City, Missouri, dispatch to the press of July 11 says: "The prosperity of the Middle West is quickening with new life as the golden stream of Kansas wheat begins pouring through its arteries. The flow of new grain rapidly is being turned into cash.....Receipts soon will amount to nearly 1,500 cars a day."

Cattle Industry

In a telegram filed en route to the Pacific Northwest and based on the Daily Drovers Telegram's recent copyrighted article on the bull situation in the range country Eugene Meyer, jr., head of the War Finance Corporation at Washington, states that it is the purpose of the War Finance Corporation to assist in every way the repletion of the cattle herds of the West and Southwest and that it is also taking cognizance of the program of retaining the standards of quality that have been built up through the use of good bulls since 1854. This statement, cryptic and laconic as it is, will bring a great deal of cheer to the cattlemen of the West and Southwest. It is in line with the generally constructive policy that Mr. Meyer has put into action during his administration of the vast funds that have been put at his disposal through the War Finance Corporation. There has been a tendency on the part of many range cattlemen to think that the maximum price for bulls to be purchased with War Finance Corporation loans is entirely too low. (Kansas City Daily Drovers Telegram, July 8.)

European Markets

An editorial in Farm and Ranch for July 5 says: "It has become quite the habit to refer to pre-war times, and American farmers have accustomed themselves to think that when Europe becomes more settled, there will be a tremendous demand for their products. In this they are mistaken. The exportation of American farm products was on a decline before the war started. Since the war Europe has been forced to become more and more self-sustaining and this will probably continue. The Institute of Economics, after a most thorough study of European conditions as related to the probable purchase of American food products, reports that the market will be limited because of increased production in other countries. Therefore, American farmers must not rely on Europe to buy their surplus, but must make their plans to supply the domestic demand and no more. Fortunately, the home demand for American farm products is increasing and the time is not far distant when farmers will have no reason to look to foreign countries for a market. With our rapidly increasing population, it will not be many years before the United States will have 150,000,000 people, an increase of one-third in the number of consumers. In the meantime, a balanced farm program should be adopted with the view of supplying the family and home livestock first, and the market second. This is one sure way to avoid overproduction and a surplus to be dumped on markets already supplied."

Forestry

An editorial in American Forests for July says: "The question of whether or not forestry in this country will pay has its enthusiasts on one hand and its pessimists on the other. The question however, is one which is not subject to a broad answer. The enthusiasts, to be sure, may point to specific examples of forest practice inaugurated within recent years by various lumber companies such as the redwood operators in California, certain pulp companies in New England, and a few pine companies in the South. The pessimists, on the other hand, may point to the instances of where private

companies have undertaken forestry practice and given it up as bad business. We think the enthusiasts have much the better of the argument, because it is almost invariably the case that the failures in private forestry can be traced back to lack of preliminary investigation of local forest problems. Such failures naturally serve to retard the acceptance of forestry practice by private companies....There is good reason to believe that if the question 'Will forestry pay?' is answered, not in the unsupported abstract, but by specialized study of conditions involved, the answer in nine cases out of ten will be in the affirmative....The progress of research activities and findings will be watched with national interest."

Section 3 MARKET QUOTATIONS

Farm Products

July 11: Chicago hog prices closed at \$7.65 for the top and \$7.10 to \$7.55 for the bulk. Medium and good beef steers \$8.25 to \$10.60; butcher cows and heifers \$3.90 to \$10; feeder steers \$5 to \$9; light and medium weight veal calves \$9 to \$11.50. Fat lambs \$11.75 to \$14.25 and feeding lambs \$10.50 to \$12.

Closing prices on 92 score butter to-day: New York 40 3/4¢; Chicago 38 3/4¢; Philadelphia 41 1/2¢; Boston 41¢.

Kansas Irish Cobbler potatoes \$1.70 to \$1.90 sacked per 100 pounds in Chicago, \$1.30 to \$1.35 f.o.b. cash track to growers. California cantaloupes lower in eastern consuming centers. Georgia peaches, Carmans, \$1 to \$2 lower at \$1.50 to \$2 per bushel basket and six basket carrier, best Hileys \$2.25 to \$2.75 in city markets, top of \$3 in New York, \$1 to \$1.15 f.o.b. Florida Tom Watson water-melons, 24-26 pound average, \$75 to \$100 lower at \$210 to \$250 bulk per car in New York.

Average grain prices quoted July 11: No.1 dark northern spring wheat Minneapolis \$1.26 5/8 to \$1.50 5/8. No.2 hard winter Chicago \$1.18 1/2 to \$1.24; St. Louis \$1.15 1/2; Kansas City \$1.07 to \$1.22. No.2 red winter Chicago \$1.17 3/4 to \$1.18; Kansas City \$1.11 to \$1.13; No.2 yellow corn Chicago \$1.09 1/2 to \$1.11; Minneapolis \$1.00 3/4 to \$1.02. No.2 yellow corn St. Louis \$1.12; Kansas City \$1.06. No.3 white corn St. Louis \$1.12 to \$1.13; Kansas City \$1.05 to \$1.06. No.2 white oats St. Louis 59¢. No.3 white oats Chicago 54 3/4 to 56¢; Minneapolis 51 3/8 to 51 7/8¢; Kansas City 57 to 58¢.

Spot cotton up 41 points, closing at 28.55¢ per lb. New York July future contracts up 40 points closing at 29.65¢. (Prepared by the Bu. of Agr.Econ.)

Industrials and Railroads	Average closing price	July 11,	July 10,	July 11, 1923
	20 Industrials	97.38	96.65	87.80
	20 R.R. stocks	87.09	86.83	77.73

(Wall St. Jour., July 12.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIV, no. 11

Section 1

July 14, 1924.

Cotton Rules

An Atlanta dispatch to the press to-day states that an important advance was taken by the Georgia Cotton Manufacturers' Association at its last meeting when a committee on cotton rules was appointed to confer with similar committees from North Carolina, South Carolina and Alabama in drawing up a uniform set of rules and a standard contract for buying cotton. For some time cotton manufacturers in the South have realized that their work was hampered by the multiplicity of rules governing buying, and particularly by the variety of contracts used in different sections.

Northwest

A Minneapolis dispatch to the press to-day says: "With corn at \$1 and cash wheat selling up to \$1.50 on the Minneapolis market, northwestern farmers are getting ready for the harvest with more real enthusiasm than they have displayed in several years....As the harvest nears with prices well above those of a month ago, business leaders take nothing but a cheerful view of the trade outlook. E. W. Decker, president of one of the largest banks in the Northwest, says: 'I am convinced that if reparations are settled....and if the Northwest's present crop conditions come through, we will have the best times we have known for ten years.' Edward E. Loomis, president of the Lehigh Valley Railroad, who has been in Minneapolis, says: 'The Northwest appears to have struck its stride in the return to stable prosperity and the people of this section should share the confidence that easterners feel in them.'"

Conditions in Kansas

An Abilene, Kans., dispatch to the press to-day says: "Politicians report great indifference to the political campaign in the rural sections, greater, in fact, than in many years, together with the general absence of visions of Federal assistance for producers. Indeed, while it is pointed out that 'dollar wheat' means only 57-cent wheat on the basis of commodity costs, compared with twenty years ago, the fact is that the farm country is making strides toward normal conditions. These are not universal but mark the intelligent producer's course and he is not complaining, rather showing more courage than in three years."

Fruits for Europe

A Portland, Ore., dispatch to the press of July 14 states that heavy orders for canned and dried fruits and evaporated vegetables for European markets have been placed with Oregon and Washington plants. Consignments will commence moving in August.

Rubber

A London dispatch to the press to-day states that a speculative revival is taking place in the rubber shares. Under the Stevenson restriction scheme, the exportable quota of rubber is likely to be reduced by 5 per cent at the end of this month, while cooperative selling agency proposals are expected very soon. The report continues: "Rubber itself is rising on evidence that America wants rubber and can not go on indefinitely on the present scheme of rationing buying."



Section 2

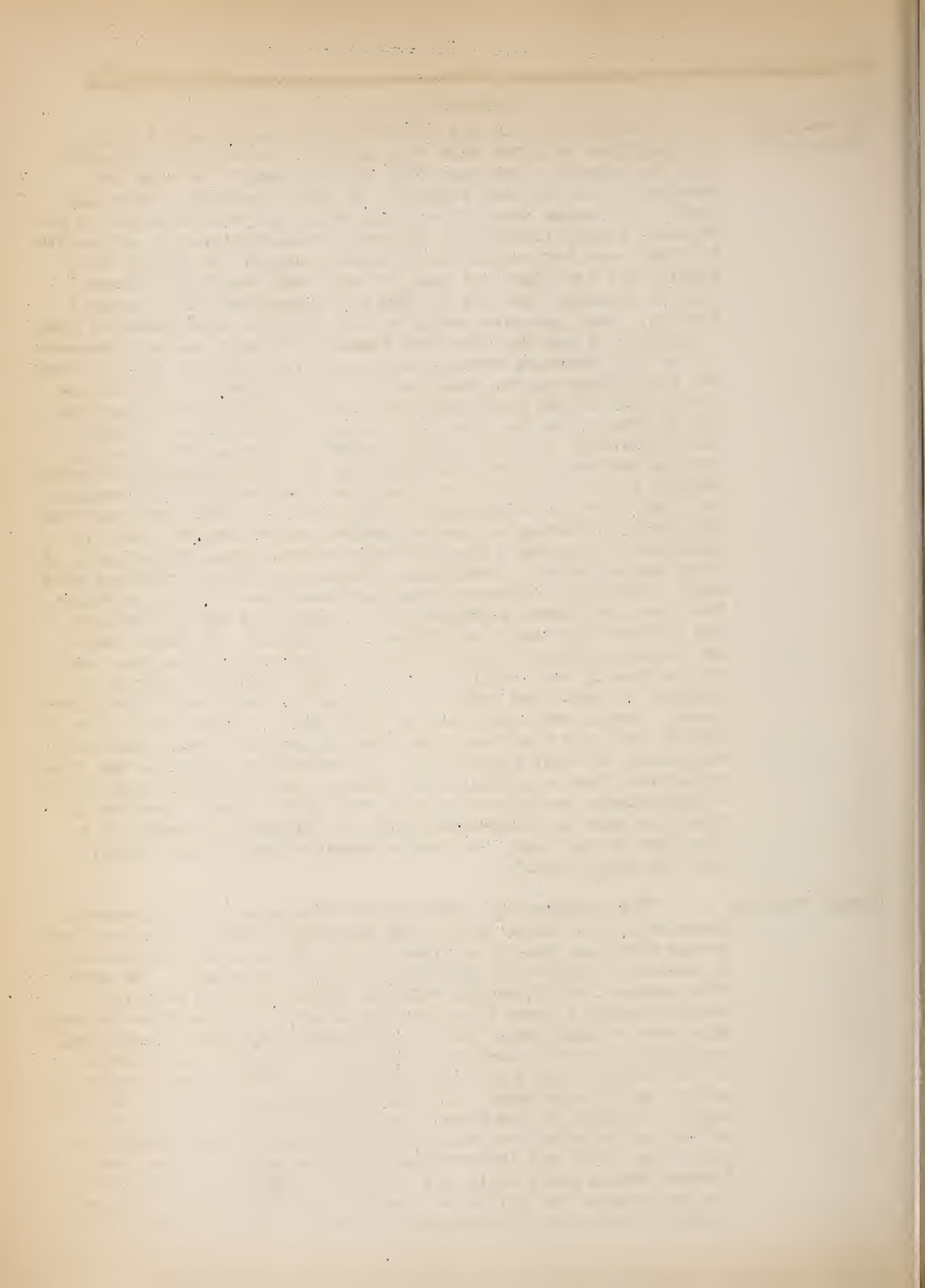
Agricultural
Education

An editorial in The Breeder's Gazette for July 3 says: "A subscriber declares that 'the schools, colleges and universities are educating too many boys off the farm.' He asks The Gazette to discuss this subject. We have discussed it for many years. We repeat that a large percentage of young farmers who have received formal training in colleges or universities do not return to farms upon the completion of their courses. It is well for farming and for them that they do not. Why should all farmers' sons be farmers? Not all of them are temperamentally adapted to farming. Many are more useful to the world in other lines of work.

Hundreds of men who have been farming for years are not succeeding in that vocation to-day, and never have done well in it. There are square pegs in the round holes of all businesses and professions. One of the most perplexing problems which every young man has to face is to find his place in the world. He is fortunate and exceptional if early in his 'teens' he decides what kind of work he desires to devote his life to, and then thoroughly prepares himself to do it. There are plenty of opportunities and openings in a long list of occupations and professions to-day for young men who, due to training or special natural endowments, or both, are qualified to deliver a more effective service than the majority of their competitors for positions. There are inferior purebred animals; there are incompetent educated young men. A college education does not donate something to a student; it merely develops and sharpens his innate abilities or faculties. We would remind the adverse critics of agricultural education that many young men who presumably are 'educated off the farm' eventually engage in farming, on their own hook, not necessarily 'back home,' but somewhere. Having had experience in other kinds of work, these men go back to the land with the right kind of attitude toward the lures and snares of other occupations. A farm-reared young man who after graduation from an agricultural college spends several years in an urban business or in professional work is the kind of man who is likely to make an interesting life and business of farming if he goes back to the land. We know a number of men of this class. They are going back."

Cotton Textiles

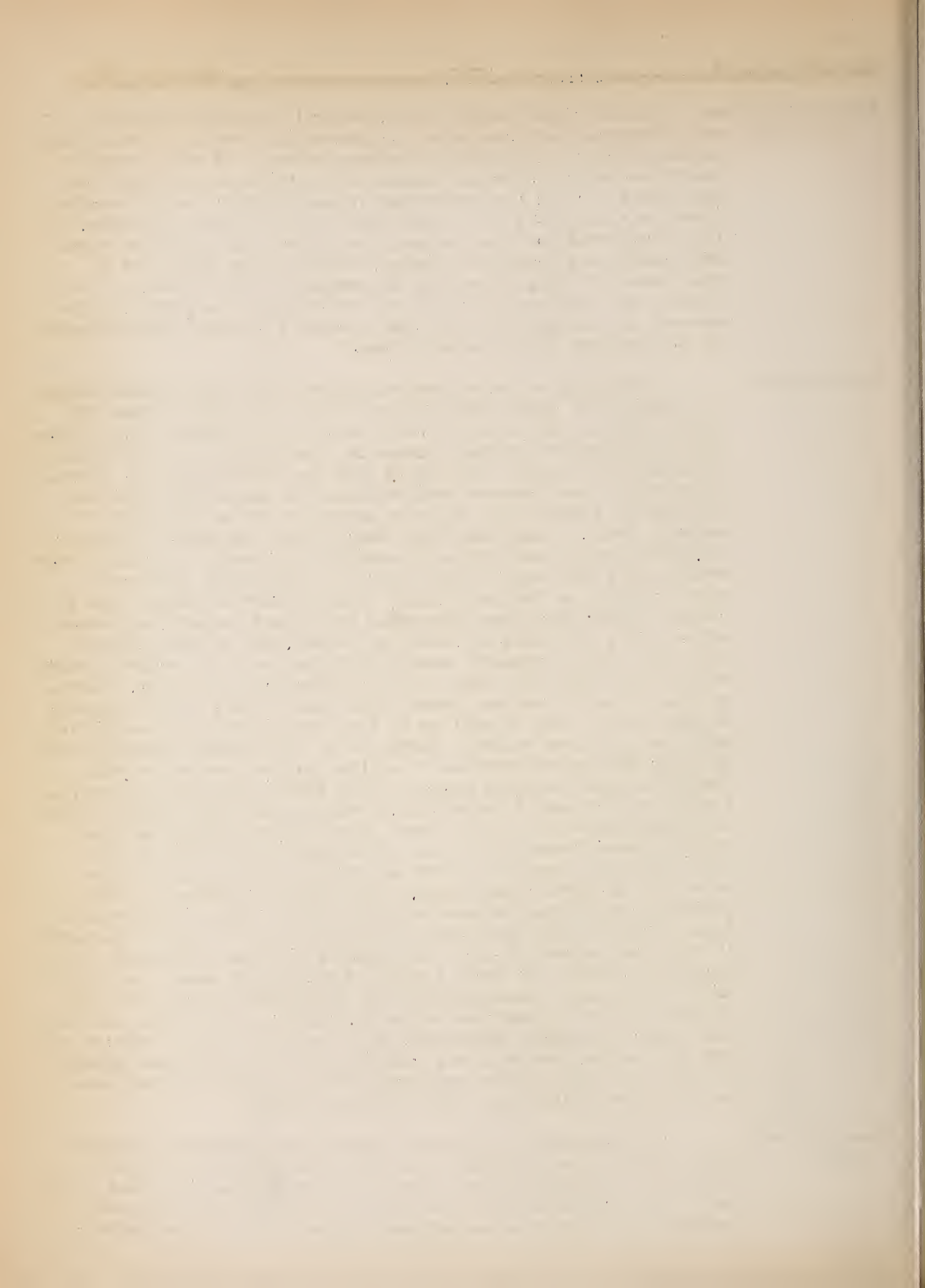
"The promise held forth by the Government of a substantial increase in the cotton supply has temporarily upset the market for cotton textiles, but if realized is certain to be of material help to business, thinks the treasurer of an important mill. He says: 'The prospect of 12,144,000 bales of cotton from the new crop probably means a lower level for prices all along the line. Already this move is under way. This is of course temporarily upsetting, especially to mills carrying a fair stock of goods, but happily in New England, there are few such mills. While a lower range of prices should help sales, the most favorable aspect of an increased supply of cotton is the minimizing at least of the bugbear of a cotton famine which has been a very disturbing factor during the past year. I do not look for much improvement, or for any real forward orders until fall, but I believe that if the crop holds its improvement we will be on a sound basis for a period of good business during the last quarter of 1924.'" (Wall St. Jour., July 9.)



Farm Unemployment in Britain An editorial in The Field (London) for July 3 says: "A bill was introduced into the House of Commons last week, to bring farm workers within the National Insurance scheme. If these workers are to be brought into the scheme, it is obvious that their low cash wages and the low percentage of unemployment in the industry (about six per cent) will single them out for special treatment. It is suggested that the farmer, the laborer and the State should each contribute fourpence a week to build up the fund, out of which benefit would be payable to unemployed farm workers. Those farmers who are experiencing great difficulty in securing skilled workers are inclined to doubt the wisdom of imposing another burden on the industry at the present time."

Grain Merger Referring to the recently suggested plan for a grain merger, an editorial in Orange Judd Illinois Farmer for July 1 says: "It sounds simple. In fact, it sounds entirely too simple, and, therefore, we recommend extreme caution in approaching it. Let's think out loud for a minute, and try to size the proposition up. First, is it likely that farmers would actually go ahead and raise the millions of dollars that would be necessary to buy out such a merger? Second, supposing they should raise the money and have it available, would they not be in considerable danger of buying properties, at least some of which would be liabilities instead of assets, paying an inflated price? Third, isn't it likely that if farmers should buy these properties they could achieve only nominal control, and would not have any better hold on the business than they have at present, except that they would be called stockholders and would have some of their money tied up in it? Fourth, we would like to know why these firms want to sell their business. Do they really want to sell or do they have something else in mind which has not been stated? Fifth, is it not entirely possible that by going through the motions of selling out to farmers and thus forming a great national merger, which could work under legal protection as a farmers' organization, these grain firms might achieve the organization of a grain trust bigger and more powerful than anything ever dreamed of in the grain business before? In that case, would the farmers perform any function in the proposition except to be part of the scenery, and render it immune to legal penalties which would otherwise make trouble? Has it occurred to these people who are proposing the merger that it would effectively block any effort of any other kind to organize a farmers' grain marketing agency? We think a little thought will show anyone that such is the case. These queries are propounded not with the idea of damning this proposition before it starts, but to bring out some real frank statements which will tell the whole story. Farmers have not been so prosperous in the last few years that they can afford to toss off a roll of ten or twenty million dollars without some rather sober reflection. What's the real idea?"

Livestock and Meats An editorial in The Price Current-Grain Reporter for July 9 says: "Although we continue to be the leading exporter of pork products, the situation has shown an important change in beef products. The United States is no longer the leading beef exporter because our population has advanced faster than beef production."



The National Bank of Commerce in New York, commenting on this situation, calls attention to the fact that the total number of cattle on feed has not substantially increased since the '90's and the number of hogs only slightly and so by 1910 beef exports and imports were practically balanced. In 1923 our imports were four times the export figures. This may be suggestive of the opportunity for American farmers and feeders during a year of heavy corn production at low prices to again reclaim our leading position as beef producers and exporters."

Production

An editorial in Farm and Ranch for July 12 says: "Europe has found it necessary to economize on land and the United States on labor. Europe produces more per acre and America more per man. As the population of this country increases, our methods of farming will change. American farmers will find it necessary to produce more per acre. At the same time, it is probable that with our labor saving machinery, we will continue to produce more per man as compared with the Old World farmers. Producing more per acre is economy up to a certain point. If American farmers can increase acre yields by better preparation of seed beds, better seed and better cultivation without reducing to a material degree the production per man, they will have reduced the unit cost of production. If they can increase acre yields by adopting a farm program of rotation, diversification and livestock which will increase the fertility of the soil, farming will become more profitable, for it is just as important to reduce unit production cost as it is to sell at the highest market price. There is a limit, however, to forcing production. It can be carried to such an extreme that the cost will multiply more rapidly than the profits for the greater yield. One can not spend too much time in cultivating an acre, and can spend too much money for commercial fertilizer in the production of crops which have a low acre value. Intense cultivation and fertilization pays on special crops that have a high market value. It will pay to devote much time and money in growing an acre of celery or asparagus, but one must exercise judgment in the production of cotton, corn and other general field crops. "

Seed Wheat Pool

A Dodge City, Kans., dispatch to The Wall Street Journal of July 10 says: "A seed wheat pool to furnish seed to unfortunate farmers, on the mine prospecting 'grubstake' plan, has turned out to ^{be} a brilliant financial success. The scene of operations is southwestern Kansas and the members of the pool that helped save the day are mostly grain dealers, many from Hutchinson, Wichita, Kansas City and Chicago, members of the exchanges usually represented as vampires sucking blood from the farmers. For two years the farmers of southwest Kansas had small crops; then came a total failure in the third season. Many were still able to finance themselves by increased borrowings, but the tenant farmers were at the end of their resources. But these men are of the kind that fight hardest when licked, and instead of quitting and becoming bolsheviks, they sought means to put in another crop. A seed wheat pool was formed by local business men and wheat dealers of outside cities, the members contributing to a fund to purchase the necessary seed, the farmers agreeing to give the pool a certain percentage

[The text on this page is extremely faint and illegible. It appears to be a multi-paragraph document, possibly a letter or a report, written in a cursive or semi-cursive hand. The ink is very light, and the paper shows signs of age and wear. The text is organized into several distinct blocks, separated by what might be paragraph breaks or section changes. The overall layout suggests a formal or semi-formal communication.]

of whatever wheat was produced. The Atchison railroad, another supposed enemy of the farmers, deposited \$225,000 in southwestern banks, to be loaned to the farmers to purchase seed independently. The seed was shipped in and distributed. Perhaps nature admired the courage of those men who met disaster without a whimper and came back for more, for she smiled on their efforts. She gave them yields running from 17 to 55 and even 60 bushels to the acre. The whole territory will average more than 20 bushels to the acre. All told, pool wheat, railroad financed and independently financed amounts to 50,000,000 bushels of premium high protein wheat, averaging a dollar a bushel at the farm."

Sugar Tariff

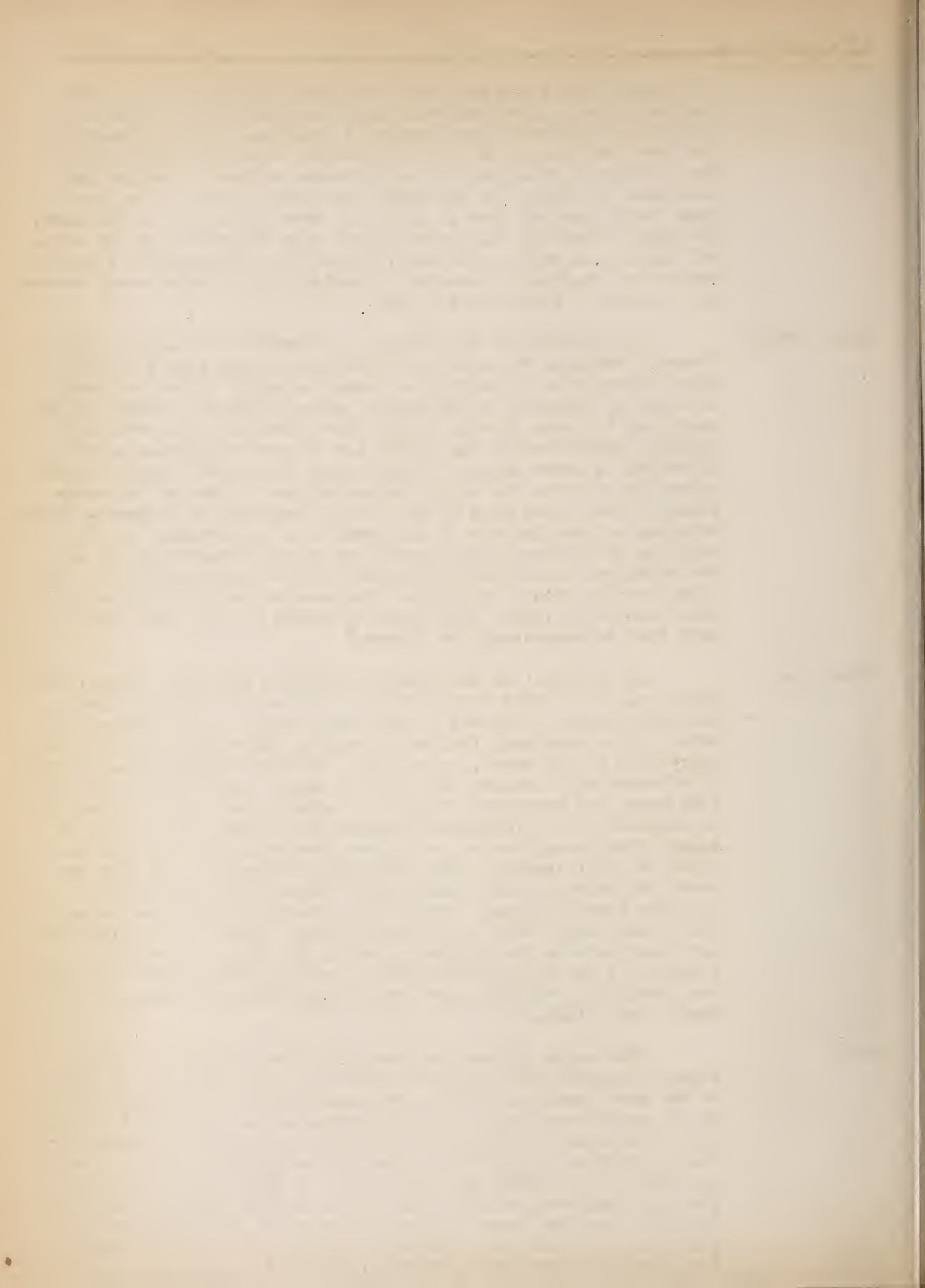
An editorial in The Journal of Commerce for July 10 says: "Reports continue to come from Washington to the effect that the Tariff Commission is shortly to render a report to the President advising a reduction in the duties imposed upon raw sugar. If any such step is taken it will be the first time that the so-called flexible provisions of the tariff law have even squinted in the direction of lower duties, a fact which, of course, stands out in strong contrast to the alleged expectations of some of the advocates of the system when it was being formulated in Congress. Whatever may be the findings of the commission in pursuance of the definite provisions of the statute in question there can not be the slightest doubt that lower duties on raw sugar would be a good thing for the country at large. Comparative costs of production alone can never form a just basis of tariff making. The sooner that fact is understood the better."

Wheat Crop

An editorial in The Country Gentleman for July 12 says: "All signs point to a rift in the clouds this year for wheat farmers. The June reports indicated a short crop in the United States and in Canada and a practical failure in Russia. There is a considerable carry-over of old wheat, to be sure, but even with that the quantity of wheat this country will have to export will be cut away below last year, and one-third of that is durum wheat. The Canadian crop is expected to be 170,000,000 bushels below last year, and if an August frost should occur, as it has frequently, the reduction might be still greater. When the wheat traders saw the June reports the price of wheat immediately advanced four and three-quarters cents a bushel. They fear a wheat shortage next fall. Conditions change with startling rapidity. Wheat and cattle that have been down in the depths may be due to rise. It would be strange but not at all improbable to see the wheat farmers sitting complacently by watching some other group besieging Congress next winter for relief."

Wool

"The month of June has been the quietest month the wool trade has experienced since the nineties, wool men say. In spite of the poor business, values have been maintained, although early in the month there was a little sacrificing as time passed without the development of much business. There were very few opportunities to replace any lots that were sold at anywhere near the selling price if the stock were procurable at all...The low point is generally believed to have been passed and the impression is gaining that when the German reparations question and the domestic political situation are adjusted a business revival will begin." (American Wool and Cotton Reporter, July 3.)



Section 3 MARKET QUOTATIONS

Farm Products

For the week ending July 11: Chicago hog prices advanced 35 to 55¢. Medium and good beef steers 10 to 50¢ higher on some grades with others 20¢ off. Butcher cows and heifers 10¢ lower to 50¢ higher; feeder steers steady; light and medium weight veal calves 25 to 75¢ higher; fat lambs \$1 off; feeding lambs 25¢ up; yearlings 75¢ off and ewes 50¢ higher. In eastern wholesale fresh meat markets beef was 50¢ to \$1.50 higher; veal \$2 to \$3 higher; lamb \$1 to \$4 higher and mutton and pork \$1 to \$2 up.

Potatoes declining, Eastern Shore Virginia Irish Cobblers \$2.50 to \$3.50 per barrel in eastern city markets; \$2.50 to \$2.60 f.o.b. Onley, Va. California cantaloupes lower in eastern consuming markets; firm in midwestern markets. Carmans \$1 to \$2 lower at \$1.50 to \$2 per bu. basket and six basket carrier, best Hileys \$2.25 to \$2.75 in city markets; top of \$3 in New York; \$1 to \$1.15 f.o.b. Florida Tom Watson watermelons, 24-26 pound average, \$75 to \$100 lower at \$210 to \$250 bulk per car in New York.

Butter markets continue to be unsettled and nervous, reacting quickly to immediate influences. Receipts have been running heavy and reports indicate favorable conditions for production. Into storage movement active.

Cheese markets became unsettled during the week and prices at Wisconsin markets receded 1/2 to 1¢ depending upon style. Heavy production and a temporarily weakened demand are apparent influences.

Grain continues advance. July wheat closed near high level of crop year after midweek sag. Corn futures show daily gain, closing at new high for season. Oat market fractionally higher. Cash demand and prices higher.

Hay market continues dull with weaker tone. Light receipts best quality timothy hold prices steady for top grades but low grades draggy. Alfalfa market slightly lower. Prairie hay in Southwest easier with movement of new crop.

Wheat millfeed firm, offerings of both transit and deferred shipments light, demand light especially from consuming trade. Hominy feed market continues firm, offerings and demand light. Linseed and cottonseed meal market unchanged, demand and movement continues light.

Average price of Middling spot cotton in 10 designated spot markets advanced 30 points for the week ending July 11, closing at 28.55¢ per lb. New York July future contracts advanced 93 points, closing at 29.65¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	July 12, July 11, July 12, 1923.		
		97.60	97.38	87.64
	20 R.R. stocks	87.15	87.09	78.11

(Wall St. Jour., July 14.)

[The text on this page is extremely faint and illegible. It appears to be a multi-paragraph letter or document, possibly containing names, dates, and descriptive text. The handwriting is cursive and typical of the 18th or 19th century.]

DAILY DIGEST

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Vol. XIV, no. 12

Section 1

July 15, 1924.

The Grain Merger An editorial in The Washington Post to-day says: "The plan to create a great cooperative grain marketing corporation, to be owned and controlled exclusively by farmers, is making favorable progress, and soon it is expected that the corporation will take over the physical properties of the Armour Grain Company, Rosenbaum Grain Corporation, Rosenbaum Brothers, and J. C. Shaffer & Co., of Chicago, and the Davis-Noland-Merrill Co., of Kansas City. This will constitute the greatest grain marketing organization in the world, and its operations will thoroughly test the Capper-Volstead act, under which the new corporation is organized....The advantages of cooperative marketing in disposing of farm products are well known, and have already proved highly profitable. If the enormous grain product of the United States can be brought into a cooperative system the farmers of the West and Northwest will not only profit greatly, but the transportation of grain will be simplified and the cost to the ultimate consumer will ultimately be reduced. A thousand difficult problems surround this subject, but they are yielding to the pressure of steady and united inquiry by the interests concerned, acting under the laws lately enacted whereby the Government fosters and encourages cooperating organizations."

Farm Conference Report A St. Paul dispatch to the press of July 14 says: "Organization of a national council for promotion of the interests of agriculture is urged in the resolutions committee report presented to the national conference of farm organizations at St. Paul.

This council would be called the American Council of Agriculture, and would 'promote and defend the broad welfare of agriculture under any and all circumstances and by such means as appear to it honorable and effective.' The resolutions passed at the closing session comprise chiefly the two main issues mentioned in the original call--renewed support of the McNary-Haugen bill and a centralized national farm group...George N. Peek, of Moline, Ill., representing the Rock Island Farm Bureau, was elected first president of the council by acclamation. Other officers named are Lieutenant Governor Carl Gunderson of Mitchell, S. D., representing the South Dakota Wheat Growers' Association, vice president; R. A. Cowles, of Bloomington, Ill., director of finance and treasurer of the Illinois Agriculture Association, secretary, and John R. Mitchell, St. Paul banker, treasurer."

Notable Grain Deal A Chicago dispatch to the press to-day says: "One of the biggest killings on the Chicago Board of Trade in recent years was reported to have been made July 14 by Arthur W. Cutten, Chicago grain merchant, who sold 300,000 bushels of July corn to a glucose concern at a price around \$1.10. His profits since corn took a jump of forty cents from recent low figures were estimated by brokers at between \$1,500,000 and \$1,860,000. In addition to his heavy deals in cash corn, Mr. Cutten, whose farm near Chicago is one of the show places of Du Page County, also is credited with having made a large sum on the recent wheat advance of from twenty to twenty-five cents a bushel."

CHAPTER I

The first part of the book is devoted to a general survey of the subject. It begins with a definition of the term "philosophy" and then proceeds to a discussion of the various branches of the subject. The author then discusses the history of philosophy, from the ancient Greeks to the modern era. He then discusses the various schools of thought, such as Platonism, Aristotelism, and Stoicism. The chapter concludes with a discussion of the relationship between philosophy and other sciences.

The second part of the book is devoted to a detailed examination of the various branches of philosophy. It begins with a discussion of metaphysics, which is the study of the nature of reality. The author then discusses epistemology, which is the study of knowledge. He then discusses ethics, which is the study of morality. The chapter concludes with a discussion of aesthetics, which is the study of art and beauty.

The third part of the book is devoted to a discussion of the various schools of thought. It begins with a discussion of Platonism, which is the philosophy of Plato. The author then discusses Aristotelism, which is the philosophy of Aristotle. He then discusses Stoicism, which is the philosophy of the Stoics. The chapter concludes with a discussion of the various schools of thought in the modern era.

Section 2

Agriculture

Dr. C. W. Pugsley, president of South Dakota College of Agriculture, former Assistant Secretary of Agriculture, in a recent address before the American Farm Bureau Federation, said in part: "I am forced to the conclusion that our present agricultural difficulties are to be traced more directly to the wide spread between the low return to the farmer for his labor and the high return to capital and city labor, rather than to the low farm prices. In other words, prosperity can not return until the labor of various groups of citizens is exchanged on a fairly even basis. In this respect the farmer has been and still is getting the worst of it. All of these facts bring us squarely up against the question of what to do next. The three most important things to be done by the farmer and those interested in his problem are: to balance his agricultural products, improve the system of marketing agricultural products, and reduce the costs of production to the minimum. Balancing agriculture is essential if an oversupply is to be avoided. The balancing should be done before the oversupply occurs, instead of after the damage has been done. Oversupply always results in low prices and losses. During the past two or three years we have been producing too much wheat, but not enough flax. The mere pressure of price is reducing wheat and increasing flax. If we are not very careful we will be producing too much flax and not enough wheat in another year or two. Balancing our agriculture means looking ahead at probable market demands, and regulating our acreage to prevent oversupply. There are enough facts from world, national and State sources to make possible a fairly accurate forecast of conditions a year hence. Farmers' organizations and agricultural colleges have not given enough attention to forecasts and to practical interpretations of statistics. Such work constitutes the next step in advance. Balancing agriculture does not mean growing less. It means growing less of certain things, and more of others....Balancing agriculture... means more than diversification. It means diversification in light of market conditions. Diversification is a good thing, a necessary thing, but it in itself will never solve the problem. In fact, our trouble with the single-crop wheat farmer to-day is that the diversified farmer of Ohio has grown more wheat than usual. The farmers must also take more interest in marketing. They can market as much of their own crops as they desire. They need a few more laws to permit them to store and feed the markets to the best advantage, but these laws will come along now because the value of cooperative marketing has been proved, and it is here to stay. Farmers need to give serious and constant consideration to the matter of marketing. The day of agricultural exploitation has passed. From now on money is not to be made by the increase in farm land values, but hardhanded, intelligent, sound business methods." (Commercial West, July 12.)

Banks in the
Northwest

Discussing the closing of the First National Bank and the Citizens National Bank of Cheyenne, Wyo., Glenn Griswold says in Chicago Journal of Commerce for July 12: "The first of these was a

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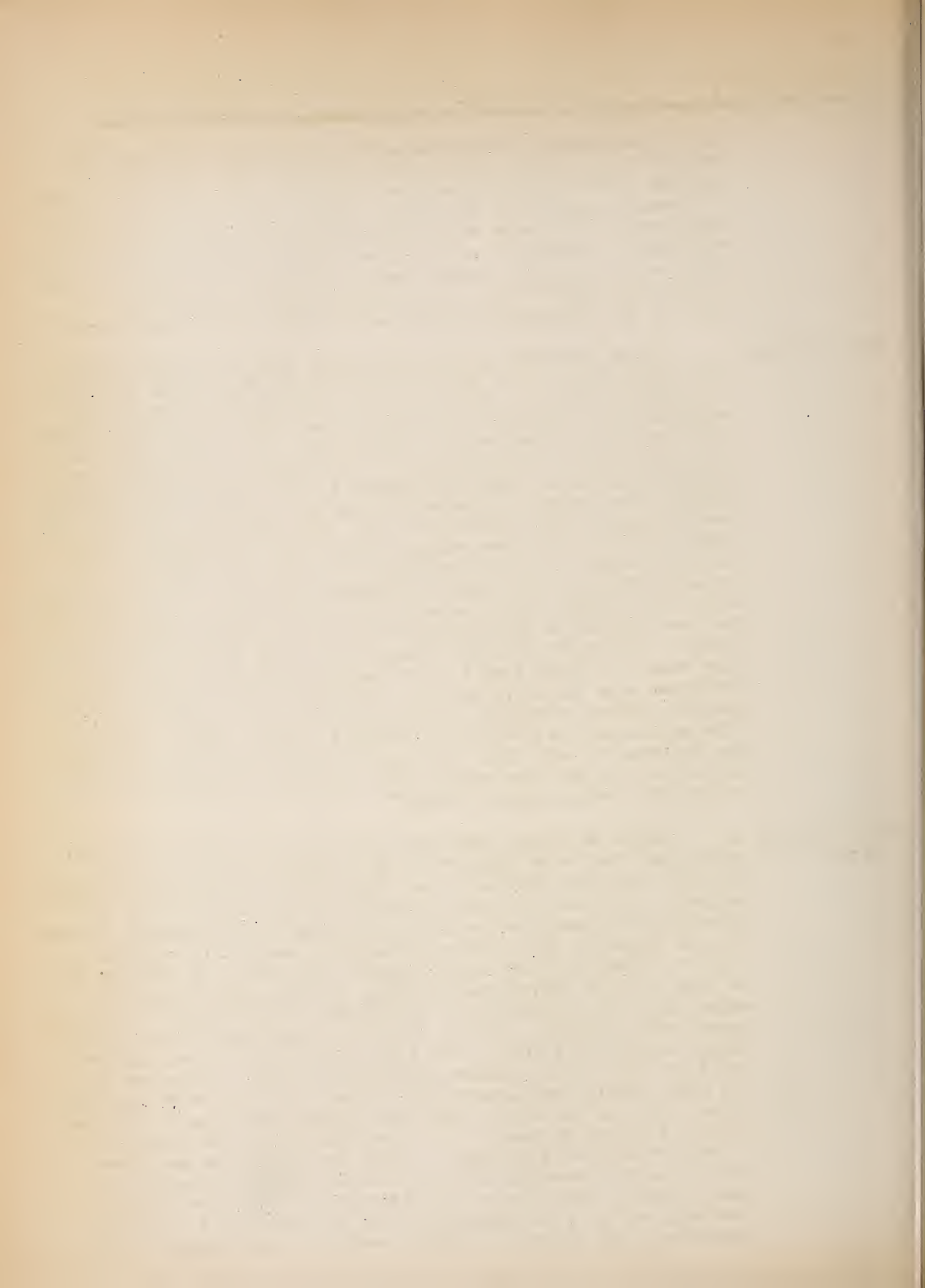
major catastrophe, not only because of the amounts involved, but because of the psychological effect it must have. The First National Bank of Cheyenne is more than fifty years old and has been a financial landmark in the cattle country all of that time. This development lends color to the suggestion that bank liquidation and adjustment is moving in a circle, and having virtually completed its business in Minnesota, Montana and the Dakotas it is swinging into a southerly trend toward those border countries between the prairies and the mountains that have expected such a visitation."

Corn Shortage

In an editorial on the prospective corn shortage, St. Louis Live Stock Reporter for July 11 says: "In figuring ahead, however, it is well to bear in mind that if the Government figures on curtailment of hog supplies are correct, there will be 8,000,000 fewer swine to consume corn from the coming crop. This should take care of at least 100,000,000 bushels of the estimated 500,000,000 requirement shortage. Possibly curtailed cattle feeding next winter (should corn prices stay where they are or go higher,) may conserve several million more bushels of corn. Even with that, however, the forecast is for less corn available than will under normal conditions be needed to tide us over until another crop comes in....It is interesting to note that the Government forecast of the smallest corn yield in many years comes in conjunction with a banner acreage. The area planted is estimated this year to be 105,604,000 acres against 103,112,000 in 1923. Wonder what those promoting meetings last winter to boost corn to \$1 a bushel are thinking right now. Doubtless each and every promoter is giving himself credit for the present exalted condition of the market. We also wonder what certain agricultural editors who continually preach reduced acreage are thinking at this time. How much better off will their readers be who reduced the corn acreage this year and will thus have less of the high priced grain to sell?"

Dairy Industry in Italy

Romolo Angelone, commercial attache of the Italian Embassy, writing on "The Dairy Industry in the Economy of Italy," in The Economic World for July 12, says: "Agriculture is the basic Italian industry. Centuries of hard and intelligently directed work by determined men have made possible the remarkable development of this Italian industry, which to-day undoubtedly commands the world's respect. Italy has very scanty mineral resources. The Kingdom has an area of about 180,000 square miles, a large part of which is mountainous; the population is 40,000,000, with a density of 222 per square mile, against a density of 35 per square mile in the United States and 185 in France. With these conditions to meet, the intelligent toil of the Italian farmer has made his country one of the most fertile agricultural regions and one of the most beautiful garden spots in the world. This agricultural development has been closely followed by that of the dairy industry....The war caused a somewhat serious depletion of stock, but during the past three years a very encouraging increase over the pre-war situation has been noticed. The increase in milk-producing stock has reacted favorably on the dairy industry, which has continued its gradual expansion. The adoption of modern sanitary manufacturing methods



and machinery and, above all, the fostering of the cooperative movement among producers, have been chiefly responsible for the rapid growth of this Italian industry since the beginning of the present century. During the years immediately preceding the World War, it had developed to a point where it not only supplied the bulk of the domestic demand for dairy products, but also contributed to a very active and promising export trade."

Farmer and Congress An editorial in The Journal of Commerce for July 14 says: "Reports from the Middle West indicate that farmer organizations are already busy formulating plans for bringing pressure to bear upon Congress at its next session. These widely organized groups of agricultural producers are determined, they say, to force upon the Nation a 'broad' program of farm relief. In this they are fully within their technical rights. Not only that, but if they use good judgment in the particular action they ask of Congress no one is likely to dispute either the justice of their claims on broad principles or the propriety of their asking for relief. The farmer of this country has been used shamelessly by both friend and foe for a good while past. The counts on which the farmer might bring a true bill against the Federal Government are numerous. Take the rural credit question. For ten or fifteen years, or even longer, the farmer has been demanding that something be done to improve the credit facilities at his command. What is the result? Systems of banks and loans arrangements have been handed out to him which are founded in large part upon notions of governmental aid and doubtful doctrines of mutual cooperation. About the best that can be said of the system as a whole is that it 'is somewhat between a hindrance and a help.' Meantime the rank and file of the farmers have been led into the deception that 'credit' is the sesame that opens the doors of wealth. Experience is slowly and painfully disillusioning the more intelligent of them but in the interim damage of grave nature has been done. Then, too, witness the governmental interference in the marketing and indirectly in the production of grain during the war. Prices were held unnecessarily high and every inducement and every encouragement held out to the farmer to produce more and ever more wheat. Whether or not this was ever justified by the exigencies of war, it certainly left an aftermath of overproduction and inefficient production which public officials have done nothing to eradicate. On the contrary, much that they have done and a great deal that they have said have tended to perpetuate the condition. As a result of the credit mania supported by governmental authorities in high places and as an outgrowth of the excessive war prices stimulated by governmental activity farms in most sections of the country are to-day mortgaged far more heavily than their productive capacity warrants. And what has been done since the war to aid the farmer to work back to normalcy? He has been afforded the fictitious protection of high tariff rates upon his produce, meantime being forced to pay heavily for the real protection afforded industries which manufacture the articles he must have to live comfortably and to produce effectively. He has been offered further credit subsidies which he and his banker have been wise enough for

The first part of the paper is devoted to a general discussion of the problem of the origin of life. It is shown that the problem is one of the most important and most difficult in the history of science. The second part of the paper is devoted to a discussion of the various theories of the origin of life. It is shown that the most plausible theory is that of spontaneous generation. The third part of the paper is devoted to a discussion of the evidence in favor of spontaneous generation. It is shown that the evidence is very strong and that it is in complete agreement with the theory of spontaneous generation. The fourth part of the paper is devoted to a discussion of the objections to spontaneous generation. It is shown that the objections are very weak and that they are in complete disagreement with the theory of spontaneous generation. The fifth part of the paper is devoted to a discussion of the conclusions of the paper. It is shown that the conclusions are very clear and that they are in complete agreement with the theory of spontaneous generation.

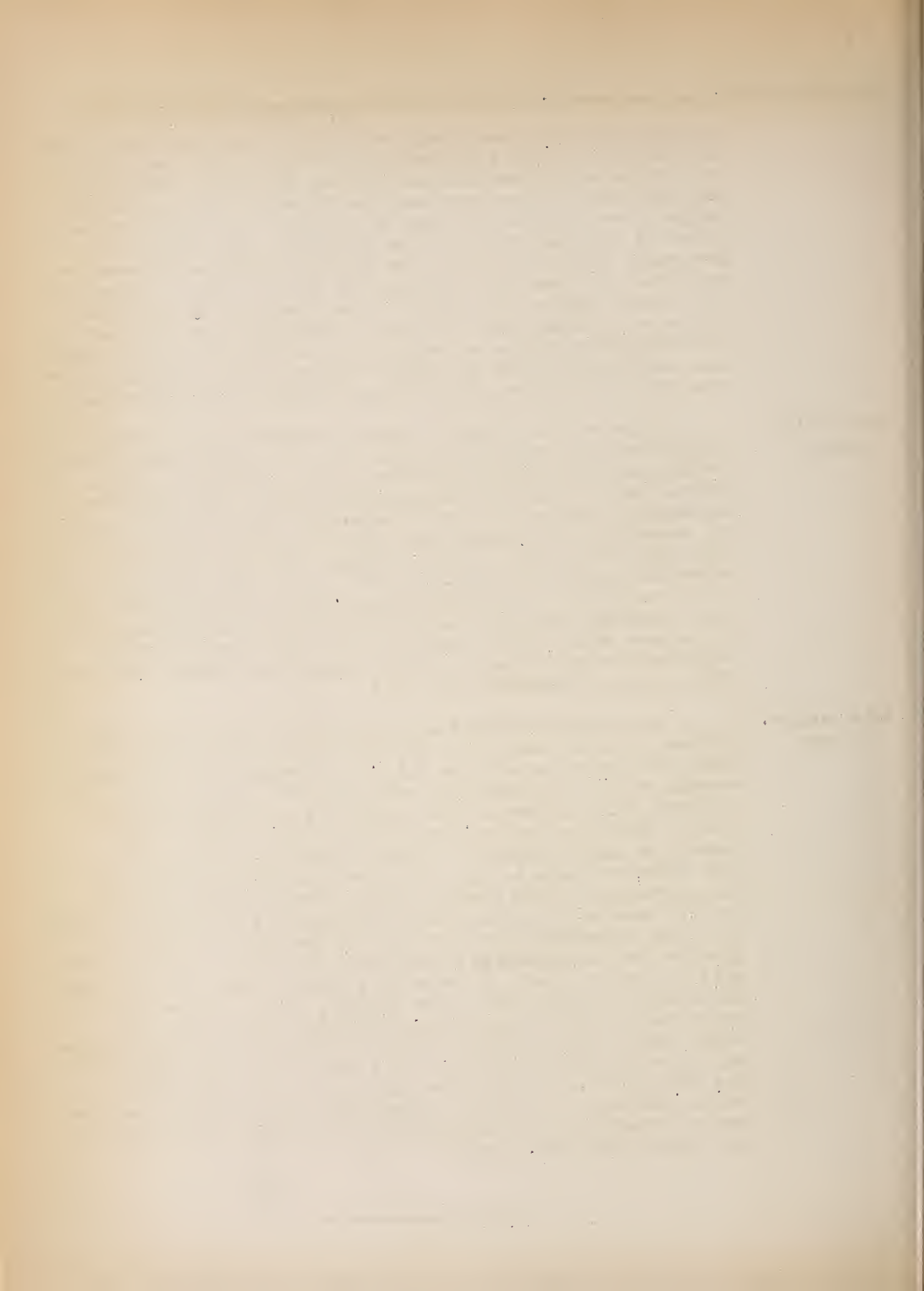
the most part not to use. Half promises have been extended to him that railroad freight rates would be lowered for his benefit, but it is by no means clear that he would be immediately advantaged very much even if these promises were literally kept, while the danger is real that in the long run he would lose heavily by being robbed of adequate transportation facilities. Wild schemes of Government price fixing have been held out to him as panaceas for his ills, but a man that has been made ill by a dose of poison does not usually gain by the administration of more of the same substance as a remedy. Let the farmers work out a sane, constructive, forward-looking program of relief from the real difficulties they face and they will have the united support of all thoughtful citizens and, what is more, will do their country a noble service."

Grain Sales Agency

"Approval was given the proposed creation of a national cooperative grain sales agency July 11 by the special committee of the American Farm Bureau Federation in its preliminary report. Certain small details were recommended changed. This committee has been in constant touch with cooperative elevators and producing associations throughout the land in regard to their consolidation with the national agency if formed. The American Farm Bureau Federation committee is also in close contact with representatives of the cooperative elevators, grange, American wheat growers and other producing interests who have this plan under consideration. It is hoped that through conference with these various producer organizations to work out a unified agricultural policy and plan." (Chic. Jour. of Commerce, July 12.)

Milk Surplus in Britain

An editorial in The Field (London) for July 3 says: "The problem of surplus milk is as acute as ever. In Essex and elsewhere the market can not take all that is produced in the grass season, or if it increases its order the rate offered is too low. The whole milk business in this country is in an unsatisfactory state. Whether or not anything effective can be done by the farmers to improve matters it would be difficult to say, but in many districts there is keen and increasing dissatisfaction with the experiences of the present system. Several farmers in the eastern counties state that they have abandoned the new milk market and taken to rearing calves for veal or grazing, the results derivable from this practice being better than those obtainable from milk at current rates. A farmer in a western county declares that his costing accounts show a loss on milk. It is believed that if dairy farmers kept careful records of costs and revenues many would find a similar margin against the milk, and that the advantage of ready money was obtained at a disproportionate expense. The Essex N.F.U. is considering the question of surplus milk, but rigid adherence to the plans decided upon and loyalty to the promoting organization are emphasized as fundamental requirements of any scheme likely to succeed."



Section 3
MARKET QUOTATIONS

Farm Products

July 14: Chicago hog prices closed at \$7.50 for the top and \$7.05 to \$7.40 for the bulk. Medium and good beef steers \$8.25 to \$10.60; butcher cows and heifers \$3.85 to \$10; feeder steers \$5 to \$9; light and medium weight veal calves \$9 to \$11.50; fat lambs \$12 to \$14.50; feeding lambs \$10.50 to \$12; yearlings \$9.25 to \$12.25; fat ewes \$3.25 to \$6.50.

Eastern Shore Virginia Irish Cobbler potatoes closed at \$2.12 1/2 to \$3.25 per bbl., top of \$3.50 to \$3.65 in Chicago; \$2.40 to \$2.60 f.o.b. Georgia Carman peaches declined sharply ranging from 75¢ to \$1.50 per six basket carrier and bushel baskets in leading markets, Hileys sold at \$1.25 to \$2, top of \$2.50 in New York and Boston. Arizona cantaloupes, Salmon Tints, standards 45's, \$3 to \$3.25 leading markets. Georgia Tom Watson watermelons, 22-30 lb. average, weaker at \$175 to \$300 bulk per car in a few leading markets; \$35 f.o.b. cash track.

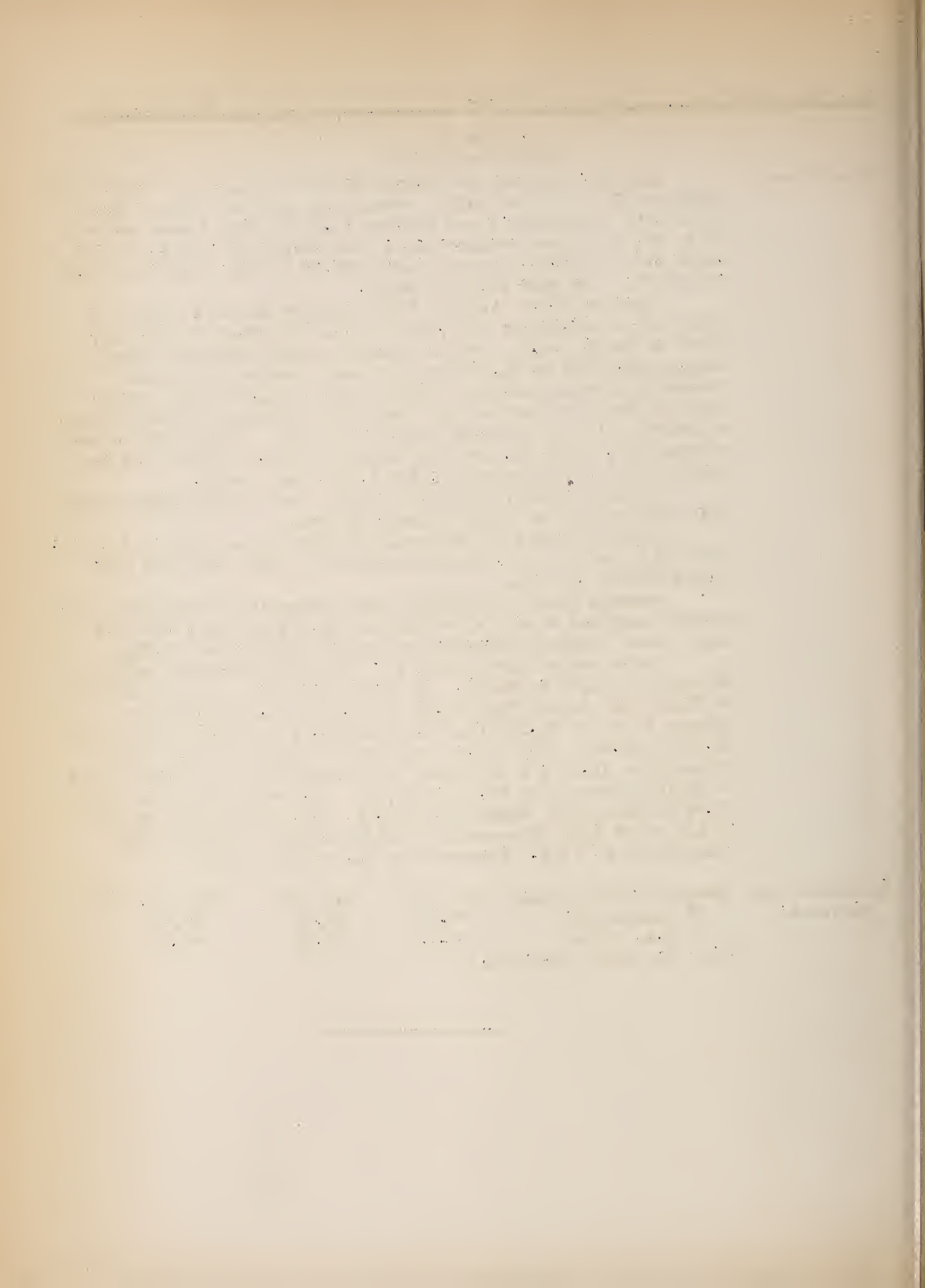
Closing prices, 92 score butter: New York 41 1/2¢; Boston 41¢; Philadelphia 41 1/2¢; Chicago 38 3/4¢.

Closing prices at Wisconsin primary cheese markets July 12: Twins 17¢; Daisies 18¢; Double Daisies 17 3/4¢; Longhorns 18¢; Square Prints 18 1/2¢.

Average price of Middling spot cotton in 10 designated spot markets declined 8 points, closing at 28.77¢ per lb.; New York July future contracts advanced 34 points, closing at 30.28¢.

Grain prices quoted July 14: No.1 dark northern spring Minneapolis \$1.27 to \$1.51. No.2 red winter St. Louis \$1.29 1/2 to \$1.32 1/2; Kansas City \$1.17 to \$1.19. No.2 hard winter Chicago \$1.22 to \$1.29 1/4; St. Louis \$1.19 to \$1.20; Kansas City \$1.17 to \$1.22. No.2 yellow corn Chicago \$1.12 to \$1.12 1/2; Minneapolis \$1.07 1/2 to \$1.08. No.3 yellow corn St. Louis \$1.15 to \$1.16; Kansas City \$1.12 to \$1.13. No.3 white corn St. Louis \$1.14 to \$1.15 1/2; Kansas City \$1.11. No.3 white oats Chicago 56 3/4 to 58 1/2¢; Minneapolis 52 1/2 to 53¢; St. Louis 59¢; Kansas City 60 1/2¢. (Prepared by Bu. of Agr. Econ.)

Industries and	Average closing price	July 14,	July 12,	July 14, 1923.
Railroads	20 Industrials	97.50	97.60	89.40
	20 R.R. stocks	87.51	87.15	79.20
(Wall St. Jour., July 15.)				



DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIV, no. 13

Section 1

July 16, 1924.

Grain Merger
Reported
Accomplished

A Chicago dispatch to the press to-day states that the transaction by which grain growers are to acquire control of all elevators of five of the largest grain elevator companies in the United States was reported completed July 15. Incorporation papers for a national cooperative sales agency, to be known as the Grain Marketing Company, were reported filed at Springfield. The companies, whose properties were to be taken over by the new corporation are the Armour Grain Company, of Chicago; the J. C. Shaffer Grain Company, of Chicago; the Rosenbaum Grain Corporation, of Chicago; Rosenbaum Brothers, of Chicago, and the Davis, Noland & Merrill Grain Company, of Kansas City. According to the report, the new company is capitalized at \$26,000,000 and will begin immediate operations. The companies had proposed to surrender their various offices at central points in the United States and abroad, their leased wires covering the country, and their five different organizations; one office at the same points, one leased wire connecting them and one service wire to supplant them. The new company would have elevator space in Chicago and other strategic centers with a capacity exceeding 50,000,000 bushels. It was announced that the company would control elevators in such interior centers as Kansas City, Omaha, Minneapolis, Winona, Minn.; Fort Worth, Tex., and such eastern or central points as Toledo and Fairport, O.; Erie, Pa.; Buffalo, N.Y., and export points including Galveston, Texas City, Tex., and Norfolk, Va.

Butter Tariff

With the approval of President Coolidge, the Tariff Commission has instituted an investigation of the tariff on butter. The present duty on butter is 8 cents a pound, but notwithstanding this, importations have been increasing so as to threaten to bring serious competition with the domestic product, according to the press to-day.

Interallied

An Associated Press dispatch from London to-day states that the interallied conference for making effective the Dawes plan for German reparations will open in the British Foreign Office to-day, with Prime Minister MacDonald and Premier Herriot at the head of the table. The United States will be represented by Frank B. Kellogg, the American Ambassador, as official observer.

Berlin Lifts

Grain Embargo

A Berlin dispatch to the press of July 16 states that the embargo on German grain flour and grain products has been removed by a decree of the Ministry of Agriculture, which, however, promises to curb the export of these products if "it assumes alarming proportions." The Government justifies its action by pointing out the difficult situation of the farmers, who are unable to dispose of their products at home.



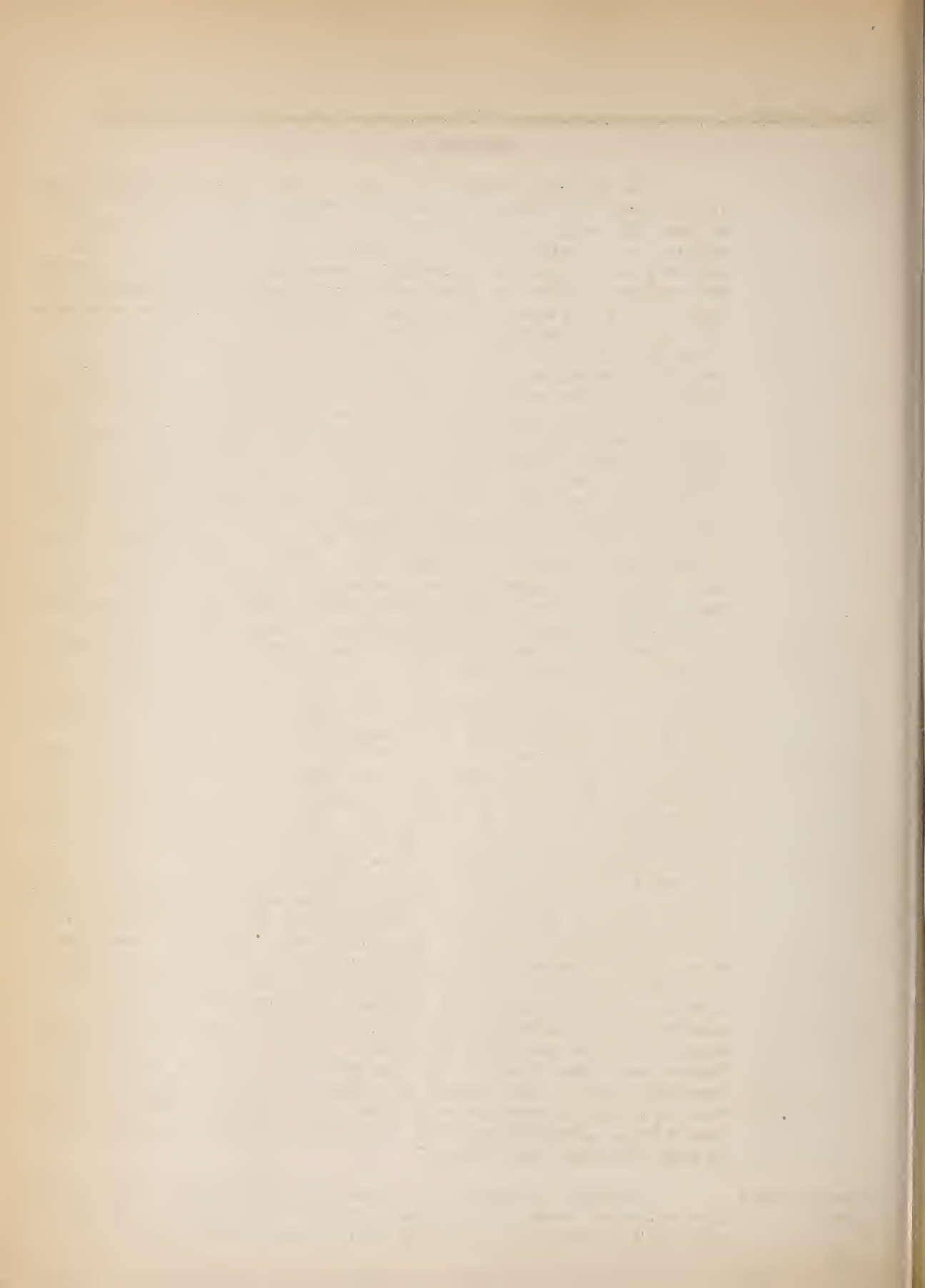
Section 2

Agricultural
Markets

The Southern Planter for July 15 says: "Well-intentioned reformers can give endless lists of the things that the farmer needs to make him happy; agricultural amateurs and self-seeking leaders enthuse over a multiplicity of theories for the uplift of agriculture; and, it may be cheerfully conceded, the reformers, amateurs and selfish leaders are alike not without justifying arguments in support of their many contentions. Nevertheless, the one outstanding thing that the farmer of this country or of any country needs above all others to make him contented is a favorable market for his products. He wants greater comforts for his folks. That is admitted. He wants adequate means for financing his operations. That is a self-evident proposition. But, with a favorable market for his wares, assured and steady, he can supply the comforts and can finance himself. The American farmer has interests diametrically opposed to those of the American speculator, be he a gambler in shares of stock or warehouse receipts. To the latter a huge supply of gold in the vaults of banks is an unmixed blessing for it is a temptation to inflation and an aid to speculation. To the farmer, an undue store of the precious metal is a curse and a menace...Economists, as a rule, agree that there may be a temporary lowering of prices for American-made goods if this country should undertake the financing of European nations, for the financing of those nations connotes the financing of their industries, many of which would undoubtedly become competitors of ours. But, almost without an important exception, those economists believe that the set-back to American industry can be only temporary; and there is, among them, a unanimous accord regarding the beneficent effect such financing would have for the farmers of the United States. Admitting that the competition of Argentina, Australia and Canada has affected the price of American wheat and the volume of wheat exports, competition is not the prime element of the problem. The cotton market proves that competition is secondary, for American cotton is almost a monopoly but our exports are subnormal at a time when the cotton stocks of the world are unusually low and the demand for cotton goods unusually strong. The financing of Europe comprehends the financing of our former enemies; and, in fact, the financing of German industry is probably our chief concern. More than seven billions of American money is in foreign loans; and the greater part of this, excluding England's borrowings, is for repayment virtually contingent upon Germany's ability to pay our debtors....Unless wheels turn in manufacturing countries money will be a scarce commodity; and when money is scarce purchases are meager. The merchants of the United States know what it means for them when the farmer is buying on a necessity basis. The country as a whole should know by this time what it means to have Europe on that same necessity basis or a basis even lower....The farmers need a favorable market; and Europe can be made into just that thing."

Canadian Wheat
Crop

A Chicago dispatch to the press of July 15 says: "Predictions that the wheat crop this season in Canada would be less than half of the yield in 1923 had much to do with a sensational advance of



prices July 14 on the Chicago Board of Trade. Maximum gains of five cents a bushel were registered, with values shaded only a trifle at the finish. R. O. Cromwell, representing one of the largest grain houses in Chicago, in a report from Saskatoon, Sask., in the heart of the Canadian wheat country, said: "Neither Winnipeg nor Chicago realizes the situation in Canada. It is the worst in twenty years. Even feed grain is near failure here. Superintendents of grain departments of railroads agree that the wheat crop will be only half of last year in the three provinces. This is in line with my ideas."

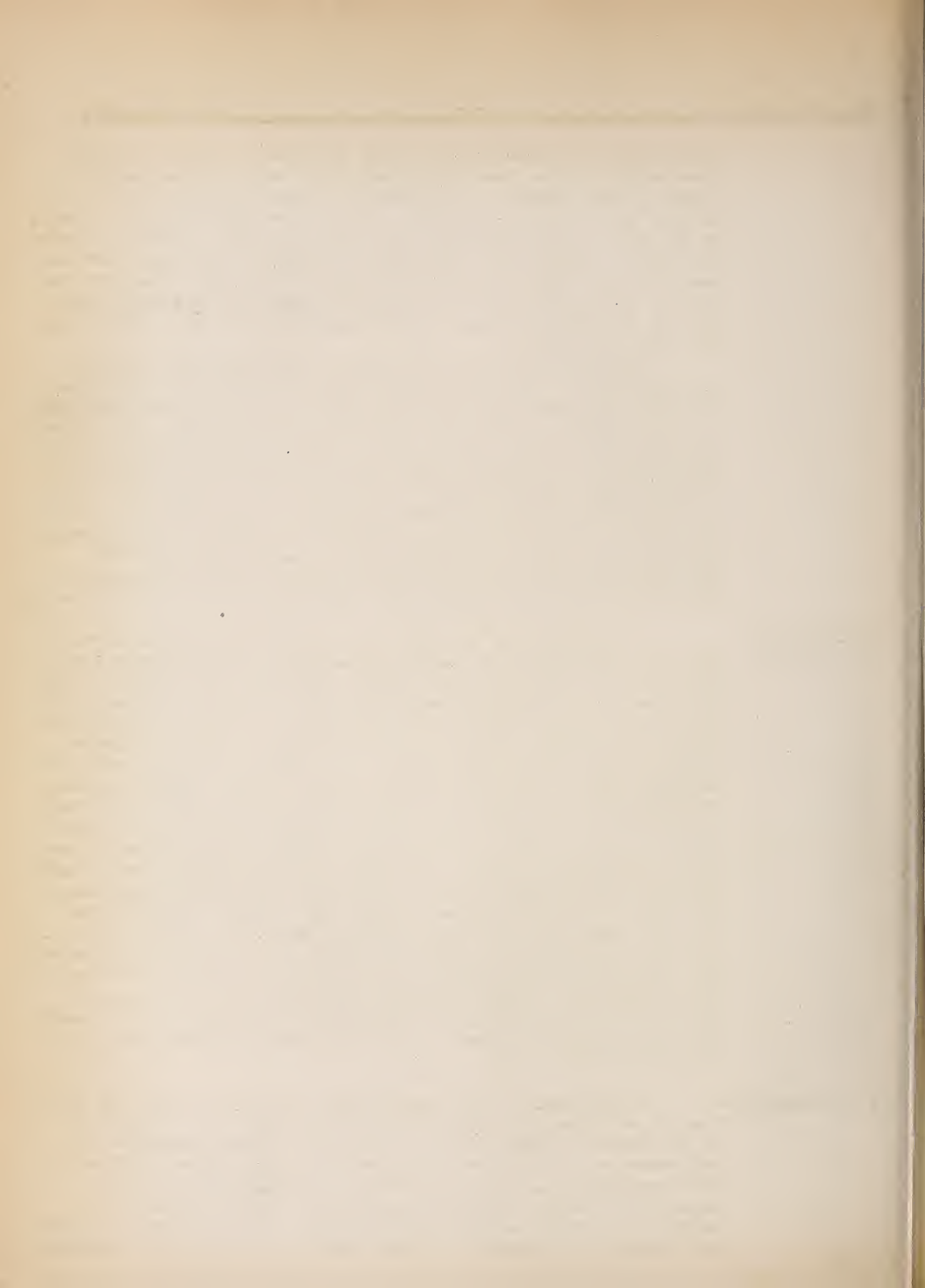
Commenting upon this statement, Glenn Griswold, Chicago correspondent of the Philadelphia Ledger, in July 15 issue, says: "The thoroughgoing economist will tell us that it does matter that American optimism grows out of the distress of Canada, that prices here advanced because great areas of prime wheat country in Canada were reported as having no hope for more than 20 or 25 per cent of a crop, while rainfall within the next few days is the only thing that can avert complete failure over wide areas. From the point of view of the farmer of Iowa or North Dakota, however, the important thing is that prices are going up at an amazing rate and with apparent stability and that, when his stuff is harvested, he will receive a price that assures farm competence, if not farm affluence"

Danish Butter for America

An editorial in The Dairy Record for July 9 says: "Despite the fact that exports of Danish butter to the United States were more than four times as heavy during the first four months of 1924 than they were during the same period last year, indications point to a smaller supply of this foreign product on our markets in the future. The United States is not the logical market for Danish butter. Great Britain and Germany have always been Denmark's best customers and it was only through a loss of those markets because of unfavorable conditions that the Danes turned toward the United States as an outlet for their butter. Those unfavorable factors, as far as Danish trade with the United Kingdom was concerned, included a carefully fostered tendency of the British to buy of their colonial possessions, as well as unsettled industrial conditions. But with the return of Great Britain and Germany to more stable domestic conditions has come a growing demand for Danish butter.... The high prices at which butter is going into storage this year may make the market sufficiently high next fall to prove attractive to foreign sellers, despite improving conditions in the continental countries of Europe, but, as a permanent condition, it would appear that America may not prove to be an attractive, steady market for foreign butter."

Food Consumption

An editorial in The Idaho Farmer for July 10 says: "In the country at large, and speaking generally, there is no such thing as starvation of human beings. A bulletin of the Massachusetts department of agriculture gives the result of an investigation of food consumption in the United States, which, measured by the calories of energy, remains about the same whether business is rushing or whether business is hesitating. In good times more meat and tidbits are consumed. In hard times high-priced meats give way



to lower-priced cereals. In the North less meat and more bread will be eaten. In the South there will be a shift from wheat to corn. A higher income makes for waste, and the palate is given freer control in the selection of food materials. The Massachusetts investigators find that while with increased income there is some tendency to overeating, occasionally resulting in obesity, and a slight tendency to reverse with decreased income, for the great majority of bulk body weight follows its natural trend without regard to income. It is only when people work more that, as a whole, they eat more. It is also found that the kinds of food eaten change with the season and with the income; while the amount of nutrients consumed have a direct relation to body needs, and these are fairly constant. One can use a dozen pairs of shoes a day if one is disposed to make as many changes, but the amount of nutrients which can be ingested are strictly limited. Another interesting factor is that advertising propaganda may increase the consumption of a certain brand or kind of food. This increase, however, in demand will always mean lessened use of one or more other brands or other kinds of food materials. As an illustration, it is said a drive to 'eat more bread' may result in larger wheat consumption, but the use of other cereals, or more likely meat, will drop in consequence."

Forest Fires

An editorial in The Washington Post of July 15 on "Costly Forest Fires" says: "....The tragedy of it is that, on fair assumption, the devastation reported was largely avoidable. A little more care in safeguarding the forests in those Western States from fire, a little more care on the part of woodsmen or hunters or tourists, and the loss that is now sustained would have been avoided. No effort should be spared in running down those who may have been responsible for those fires and in holding them to strict account."

Milk for Japan

An editorial in The Dairy Record for July 9 says: "America is not alone awakening to the value of milk as a food. The Japanese Government has long sought some means of enlarging the stature of its people, and was so impressed with the claims made for milk, that it recently sent Dr. Atsushi Miyawki, Professor of Dairying at Hokkaido, Imperial University, Sapporo, Japan, to America to study the problem. Dr. Miyawki was so impressed with the results obtained by teachers and social settlement workers through the use of milk, that he has recommended that his Government make a determined effort to introduce it as a staple article of diet in Japanese homes. In various interviews, he has pointed out that the diet of the average Japanese family is lacking in just those elements needed by the human race which will be supplied if his recommendation is given favorable consideration....The action of the Japanese Government is not only a splendid tribute to the value of milk as a food and an indication that it will eventually become a part of the diet the world over, but, less important, it will mean a new market for American dairy cows and American dairy machinery."



Production and Marketing Waste Sioux City Live Stock Record for July 11 says: "Farmers worry quite a lot over the unquestioned fact that there is a great deal of waste, lost motion, in the production and marketing of their crops and they are constantly seeking to eliminate these losses as far as possible. They have plenty of company in their troubles, however, as recent surveys by Federal engineers disclose that other industries have much the same problems. In the metal trades, for instance, losses from pure waste amount to 29 per cent; in the boot and shoe trade losses are all of 41 per cent; in the textile industry 50 per cent and in the building trade fully 82 per cent. In all business there is more or less loss that could be avoided under certain conditions, but, unfortunately, men are only human and we are compelled to pay the penalty of our frailty. This makes it all the more imperative that unnecessary waste be eliminated as far as possible, it can not be eliminated entirely."

Tobacco Marketing A New York dispatch to Chicago Journal of Commerce for July 14 says: "Open warfare between 300,000 southern tobacco farmers, members of cooperative marketing associations, on the one side, and the Imperial Tobacco Company of Great Britain, on the other, is believed to be imminent, it was said July 13, following the failure of a recent peace move by the farmers. The mission, which went to England recently to have the dominant British company call off its boycott of the cooperatives and drop its antagonism, has just reported the failure of negotiations and plans are said to be in preparation now for a counter-offensive in behalf of the American Growers. A double-barreled attack is in prospect. The farmers plan first to demand an investigation by the Federal Trade Commission of the alleged unfair methods of the British company and propose then to conclude negotiations with the consumers' cooperative societies of England, so as to carry the war into the other camp and compete with the Imperial in its own markets. Charges of boycotting, intimidation of farmers and other unfair methods have been made against the Imperial almost since the beginning of the cooperative movement among the tobacco growers of Virginia, the Carolinas, Kentucky, Tennessee and Indiana almost two years ago. The cooperatives were formed to aid the grower in getting a larger return for his crop and to do away with excessive profits of middlemen and commission agents. But, although American tobacco and cigarette manufacturers bought extensively from the cooperative associations, the Imperial, which depends on the American crop for almost all of its tobacco leaf, is said to have consistently refused to deal with them. The situation became so serious during the last year that the cooperative associations decided to send representatives to meet with the Imperial's executive board in London and to seek some way of establishing a friendly business relation. Among the American representatives were Judge Robert W. Bingham, of Louisville; Oliver J. Sands, banker, of Richmond, and Aaron Sapiro, general counsel to the cooperatives. These met in London with H. W. Gunn, A. F. Faulkner, Sir Gilbert Wills and other members of the Imperial's executive board and there, according to their report, proposed that the Imperial drop its fight on the cooperatives and purchase from them in the same proportion in which it purchases from non-members. The farmers' representatives presented a lengthy brief which, in addition



to including letters from President Coolidge, Secretary Hoover and other high officials telling of their interest in the movement, presented affidavits and reports of the coercive acts against the cooperative farmers with which the British concern is charged. One of these alleged that the agents of the Imperial were fostering the widespread extension of tobacco growing in Georgia so as to break down the grip of the cooperatives on the market, 'although supplies of raw leaf were more than enough to meet all requirements....."

Section 3 MARKET QUOTATIONS

Farm Products

July 15: Closing prices at Chicago livestock markets
July 15: Hogs, top \$7.70; bulk of sales \$7.20 to \$7.50; medium to good beef steers \$8.25 to \$10.60; butcher cows and heifers \$3.85 to \$10; feeder steers \$5 to \$9; light and medium weight veal calves \$8.50 to \$11; fat lambs \$12.25 to \$15; feeding lambs \$10.50 to \$12.25; yearlings \$9.50 to \$12.50; fat ewes \$3.25 to \$6.50.

Eastern Shore Virginia and Maryland Irish Cobbler potatoes sold at \$2.25 to \$2.50 per bbl. in leading eastern markets; \$2 to \$2.25 f.o.b. Norfolk and North Carolina stock mostly \$2 to \$2.25. Georgia peaches, Hileys \$1.25 to \$2.25 per six basket carrier and bushel basket in consuming centers; few sales at \$1 f.o.b. Arizona cantaloupes, Salmon Tints, standards 45's, generally \$3 to \$3.50 in city wholesale markets. Imperial Valley stock \$2.50 to \$3. Georgia and South Carolina Tom Watson watermelons, 22-30 lb. average, ranged \$150 to \$325 bulk per car in city markets. Texas stock, 30 lb. average \$325 in Kansas City.

Grain prices quoted July 15: No.1 dark northern spring Minneapolis \$1.30 7/8 to \$1.53 7/8. No.2 red winter St. Louis \$1.30 to \$1.34; Kansas City \$1.20 to \$1.22. No.2 hard winter Chicago \$1.28 1/2 to \$1.31 1/2; St. Louis \$1.21 to \$1.23; Kansas City \$1.16 to \$1.25. No.2 yellow corn Chicago \$1.14 to \$1.14 1/2; Minneapolis \$1.03 1/2 to \$1.04. No.3 yellow corn St. Louis \$1.14 1/2 to \$1.15; Kansas City \$1.12 to \$1.13. No.3 white corn St. Louis \$1.14 to \$1.16; Kansas City \$1.11. No.3 white oats Chicago 57 1/2 to 58 1/4¢; Minneapolis 50 3/8 to 50 7/8¢; St. Louis 58 to 58 1/2¢; Kansas City 60 to 61¢.

Average price of Middling spot cotton in 10 designated spot markets declined 26 points, closing at 28.51¢ per lb.; New York July future contracts declined 25 points, closing at 30.03¢. (Prepared by Bu. of Agr. Econ.)

Industrials and	Average closing price	July 15,	July 14,	July 14, 1923
Railroads	20 Industrials	97.40	97.50	89.40
	20 R.R. stocks	87.68	87.51	79.20
(Wall St. Jour., July 16.)				

DAILY DIGEST

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Vol. XIV, no. 14

Section 1

July 17, 1924

The New Grain Marketing Company

A Chicago dispatch to the press to-day states that official recognition of the plan for inviting farmers to purchase and operate the \$26,000,000 grain-elevator company, whose formation under cooperative laws was announced July 15, was noted at Chicago, July 16, in a statement from the headquarters of the American Farm Bureau Federation. The statement said it was hoped to work out details at a meeting Friday. "According to John W. Cloverdale, secretary, American Farm Bureau Federation," the statement said, "the first job of the newly-organized cooperative Grain Marketing Company will be to deal with the proposed plan of taking over the facilities of the Armour Grain Marketing Company, Rosenbaum Grain Company, Rosenbaum Bros., J. C. Shaffer & Co., and Davis-Noland-Merrill Grain Company, of Kansas City." The statement lists the following men as having accepted places on the temporary Board of Directors, O. E. Bradfute, president, American Farm Bureau Federation; W. J. Brown, president, American Wheat Growers, Inc.; Harry L. Keefe, president, United States Grain Growers, Inc.; Fred A. Midge, president, Illinois Farmers' Elevator Association; J. M. Dyer, Spencer, Ia., president, Iowa Farmers' Elevator Association; Millard Myers, Illinois Farmers' Elevator; J. F. Reed, vice president, American Farm Bureau Federation; Oscar Ashworth, Mattoon, Ills., grain farmer; Gray Silver, West Virginia, grain farmer, and J. W. Cloverdale, Iowa, grain farmer. Headquarters of the new company will be at 208 South La Salle street, Chicago. Upon completion of the final arrangements, the company will begin business with a \$4,000,000 paid-in working capital. This will be supplied through the grain-marketing companies that are taken over by the new cooperative.

In an editorial on this subject, The Philadelphia Ledger to-day says: "The biggest farm news, and therefore political news, in many days is the merger of five great grain elevator concerns into a cooperative sales agency. Capitalized at \$26,000,000, it will control 5,000 'line elevators,' include banks, leased wires and rail trackage and have storage room for 50,000,000 bushels. With it go the managing brains and trained personnel of these veteran companies. For five years, while the new owners are paying for it, the old executives will serve on salary. The new owners are to be farmers and grain growers. This giant merger is to be farmer owned and operated. It seems the first serious gesture toward placing the man who grows the grain in control of its marketing. The wheat will be his, all the way from farm to mill or deep-sea freighter. The scheme is so vast that the American Farm Bureau Federation that has been fostering some such plan for months seems afraid of it. After accepting it 'with reservations,' the federation has about made up its mind to take over this 'big brother of the grain pools.' It will be the greatest and most interesting cooperative experiment ever made if undertaken....."

The President Offers President Coolidge yesterday telegraphed Governor Richardson, Aid in Forest of California, offering any possible Government aid in that State's Fires battle against the forest fires. (Press, July 17.)

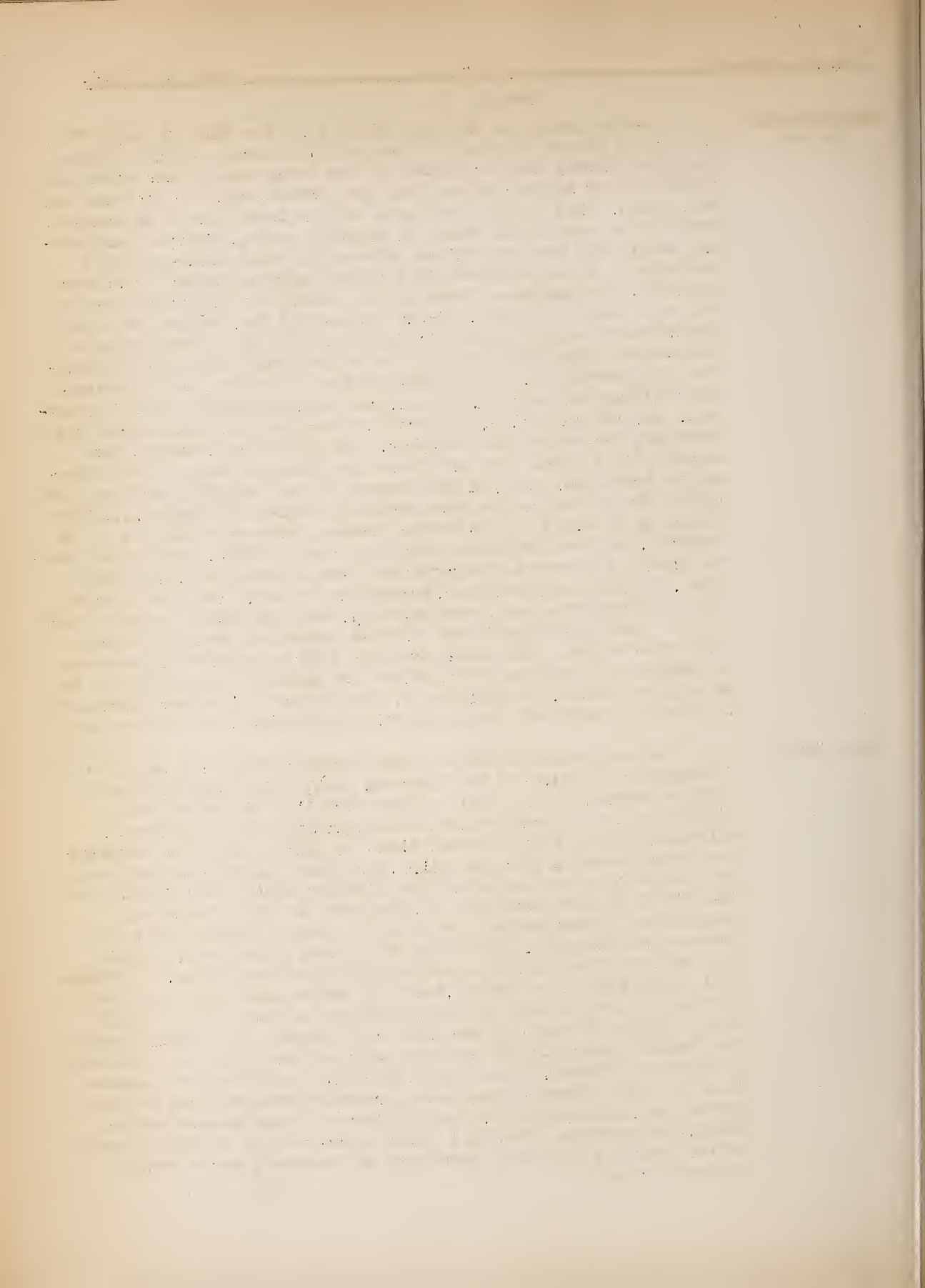
Section 2

Agricultural
Markets

An editorial in American Fertilizer for July 12 says: "For the United States to plan its agricultural future on the assumption that Europe may be induced to buy large quantities of American foodstuffs at higher prices than now prevail would be to build on quicksand. This is the conclusion of the Institute of Economics, based on an exhaustive study of European needs, European purchasing power, and the competition offered by other food-producing countries. It is apparent the limited European market which now confronts the American farmer is the result of conditions developing even before the war. About the turn of the century American agricultural exports began to decline, owing to a combination of influences. European countries were increasing their own production of foodstuffs, and the competition of Canada, South America, South Africa and Australasia for the European markets was increasing. At the same time, the growth of our own domestic market was lessening our exportable surplus. The great war reversed this current for a time. Not only were the European demands for foodstuffs increased, but, in consequence of the shipping problem, the United States became the most available source of supply.....This piling up of debts to the United States, however, could not go on forever, and the inevitable collapse came in 1920. To-day the pre-war trend of decreasing exports has been renewed in intensified form. Europe's agricultural production is being restored faster than her industry, and, consequently, than the buying power of her cities. And the competition of rival producing areas is keener than ever before. The whole economic tide is against an increase of European demands and high prices for American foodstuffs in the immediate future. The solution of the farmer's ills must therefore be sought in internal readjustments to a changed world situation."

Copra Tariff

An editorial in The New York Produce Review for July 2 says: "Thousands of copies of the Wurzbach bill, which provides for a duty on copra, which is left on the free list in the existing Tariff law, and through which oversight millions of pounds of oil-bearing material is coming into the United States in competition with domestic fats and oils, are being distributed this week by various agencies including the Southern Tariff Association, and the Tariff Defense Committee of the Fats and Oils Producing Industries. Accompanying the bill is a long statement made by Congressman Wurzbach, explaining how copra, kernel oil, Perilla seed and Perilla oil, and numerous other fats and oils, all potential competition for butter, lard and cotton seed oil, are coming in free of duty because of being left out of the present Tariff law. Another feature of the bill is a proviso which would compel the Tariff Commission to consider only evidence which is submitted by witnesses appearing before it and being subjected to examination and cross examination, thus preventing reports from its own agents being considered unless subject to cross examination by interested parties. The bill will be pressed for an early hearing before the Ways and Means Committee in December, or as soon as Congress meets."



Corn

An editorial on the department corn report in St. Louis Daily Live Stock Reporter for July 14 says: ".....The high prices will cause a larger use of oats, barley, low grade wheat and other grains, and also more careful feeding by farmers. The stocks of old corn on the farms apparently are larger than at this time last year and, with the decreased hog supply, less corn will be necessary for farm consumption during the next crop year."

Cotton

The Journal of Commerce for July 15 says: "Without doubt the Department of Agriculture is right in its recent statement to the effect that there is no reason to suppose that very large quantities of cotton will or can be produced in other parts of the world to compete with us in the next few years. Difficult and time consuming problems face would-be cotton planters in Australia, Africa and elsewhere. Land in some cases must be irrigated in order to render cotton production feasible. The construction of irrigation works requires time and much capital, while the subsequent development is also time consuming. Everywhere, or almost everywhere, the question of an adequate supply of skilled labor to cultivate and harvest the crop likewise presents grave difficulties. The department is, however, also correct in asserting that if the price of raw cotton remains as high as it is now cultivation of the plant will be stimulated in other countries. There need be no doubt in the mind of anyone that should we fail to conquer the boll weevil and to take whatever other steps are necessary to get the price of raw cotton down more within reason we shall ultimately be faced with real competition from other producing areas. The present level of values for raw cotton have not by any means proved an unmixed blessing even to the farmers if the conditions causing them are taken into consideration. If present prices are allowed to continue indefinitely they would do him incalculable harm. It simply will not do for us to rest on our oars supposing that we have and can always and in all circumstances maintain a complete monopoly in the production of raw cotton."

Dairying in Florida The Florida Times-Union for July 15 says: "Florida people, and some not in or of the State, have for a long time past been telling of the 'wonderful advantages,' for successful dairying, that exist in this State, natural advantages that are not surpassed anywhere in the world. But, with exceptions here and there, while the talk has been general and of great amount, the practical efforts to make dairying in this State the success that it should be have not been so energetic or as extensive, otherwise Florida dairies to-day would be providing all the milk and butter, and other dairy supplies, required for consumption in this State. In the past several years, however, dairying has been considered more as it should be, as a business matter, one in which others than farmers and dairymen are interested. Bankers and business men have been, and are, paying more attention than formerly to this very important industry. This is as it should be, as it must be, if dairying is to become the industry that it should be in this State....This matter, of more and better dairying in Florida, is one that must be met sooner or later. Why not now? "

Foreign Trade

The Journal of Commerce for July 16 says: "The figures showing the results of our foreign trade during the fiscal year ending June 30, 1924, recently published by the Department of Commerce, reveal little that had not been expected. They value exports for that period at \$4,311,000,000 and imports at \$3,557,000,000, with a favorable balance of nearly \$754,500,000 as compared with a little more than \$175,000,000 during the preceding fiscal year. The larger margin of exports resulted, as was expected, in a substantial increase in net imports of gold. The net inflow of the metal into this country amounted to \$407,000,000, as compared with \$235,000,000 the year before. The fact that the statistics thus presented yield no surprise should not blind us to their significance. In the first place, the much higher prices at which we sold raw cotton to peoples abroad this year is in no small measure responsible for the \$355,000,000 gain in exports. Imports have dropped in part because business has been less active and in part because in the previous year large imports of raw materials were brought into this country to fill empty warehouses. As far as imports are concerned, it is more than probable that the year just closed is a much more typical one than the one immediately preceding. In spite of these facts we have received payment for our sales abroad, to the extent that we have in any real sense been paid for them at all, with gold for which we had and have no use whatever. There are two problems that face us with regard to our export trade, or, at all events, two of such outstanding importance as to overshadow all others. One of them is how are we to continue to be paid for even the volume of exports that we have been sending abroad, and the other is how can we expand foreign markets sufficiently to enable us to keep our mills in operation at reasonable rates of activity. Need it be repeated once again that we are doing next to nothing to solve either of these problems? "

Marketing Bureau
for Lynchburg

To help farmers to see how to help themselves the Chamber of Commerce of Lynchburg, Va., has established a production and marketing bureau for the sale of farm products. The prosperity of farmers in the area is reflected in increased sales by merchants. The market is self-supporting. It is managed by directors elected by the farmers' organizations. From sixty-five to eighty farmers bring their products to the market every day. A four-page paper is circulated in rural communities. Farmers' advertisements for the purchase or sale of farm products are inserted free. Market reports and agricultural information from State and Federal specialists are included in the paper. The expense of publication is borne by the advertising of Lynchburg merchants. (N.Y. Times, July 16.)

Money Market

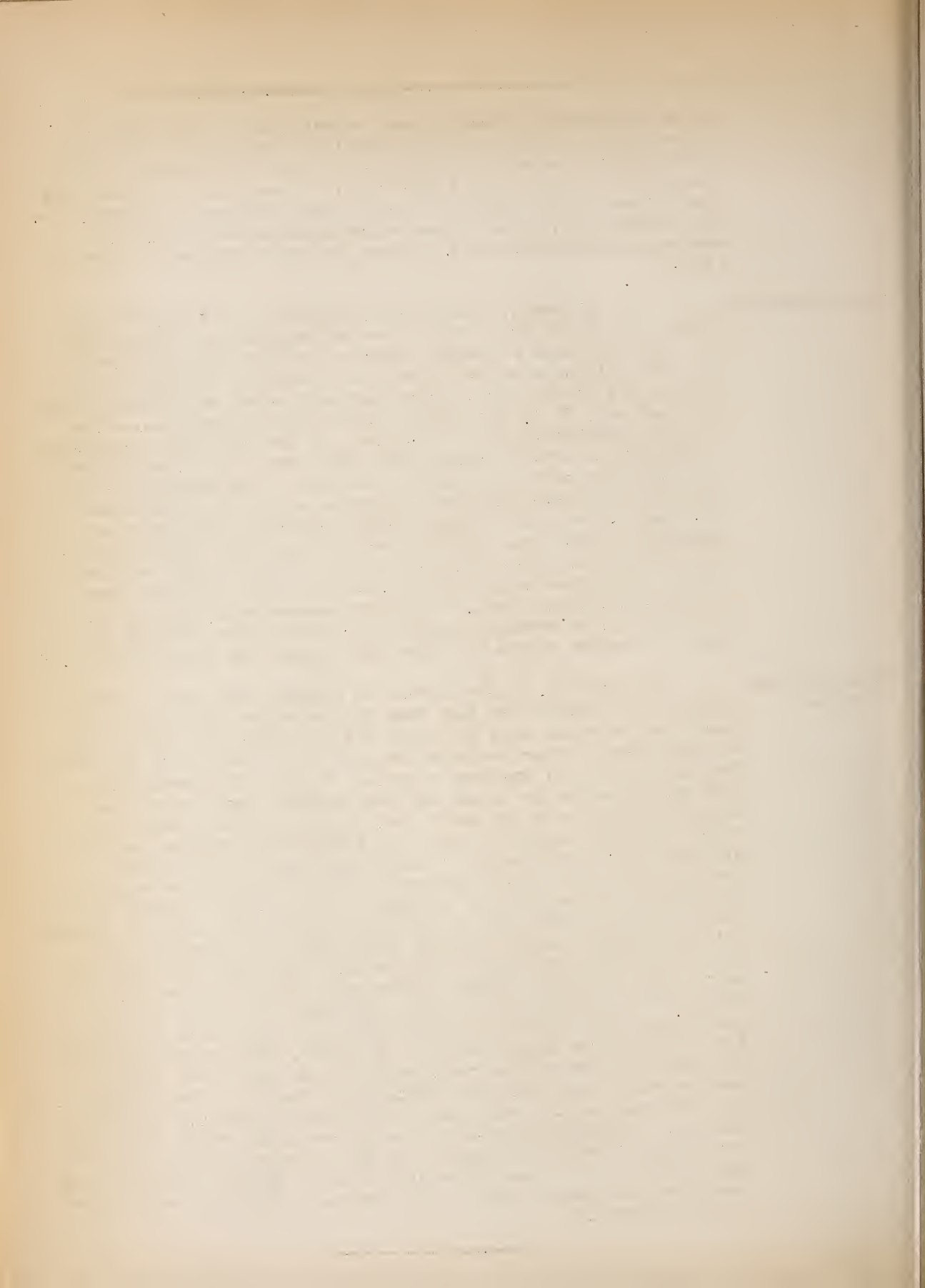
Federal Reserve Bulletin for July says: "In the current banking and credit situation the outstanding developments have been the pronounced ease in the money market, the diminished volume of borrowing at member banks for commercial purposes, and the decreased demand for reserve bank credit. These developments have been brought about chiefly by a further slackening in business activity, with a consequent decrease in current credit requirements,

and by additions to loanable funds arising out of gold imports... At the Federal Reserve banks the decline in the total of earning assets during the past six months has brought the volume of reserve bank credit in use to the lowest level in more than six years. On June 18 the earning assets of the 12 banks combined were \$836,000,000, or \$436,000,000 less than at the seasonal high point in January, and \$222,000,000 less than for the corresponding date of 1923."

Motor Transportation Glenn Griswold, Chicago correspondent of The Philadelphia Ledger, in July 16 issue says: "The nationalization of the motor bus and motor truck as common carriers, and the co-ordination of them with railroads and transportation companies throughout the country, are in the way of being furthered under an ambitious plan announced July 15 by the Omnibus Corporation of America.....The plans are encouraged, if not inspired, by the fact that a majority of railroad executives concede that the motor is destined to absorb the large part of short-haul business of the steam carriers and can be developed under the direction of and in cooperation with the railroads and transportation companies rather than in competition with them. Surveys are now being made with a view to the introduction of bus services in seven of the larger western cities, which eventually will be linked together by cross-country bus and motor truck lines. The first cross-country line to be operated will be between Chicago and another large city 300 miles away. Franchise rights for this line already are being sought...."

Wheat and the
Farmer

An editorial in The Journal of Commerce for July 16 says: "There is no denying the fact that the extensive damage that has been done the wheat crop in Canada and the undersized yields that are expected in other producing regions of the world will put money into the pockets of American growers. It may, of course, prove that the situation in Canada has been somewhat exaggerated, but there is little room for doubt that the production of wheat the world over this season is going to be materially smaller than last year and that the relation of supply and demand will be thus brought into much better alignment. So far, so good, as regards the outlook of the American producer. It would be a mistake of first order, however, not to realize fully how this state of affairs has been brought about. Weather conditions, ever whimsical in their incidence, are responsible for it. That there has been any very great, carefully planned retrenchment in the cultivation of wheat there is little to indicate. The American farmer would be exceedingly ill advised to suppose that the basic wheat problem has been in large degree solved. Of course, short crops this year will serve to remove from the markets of the world some of the surplus wheat which had been hanging over them for a long while. But that was, and is, only one of the problems plaguing our wheat growers. A greater diversification of operations which would lessen our output of wheat is essential in this country and the need for such action has not been materially lessened by poor crops in other countries this year. That is the essential lesson for our farmers to bear in mind."



Section 3
MARKET QUOTATIONS

Farm Products

July 16: Chicago hog prices closed at \$7.85 for the top and \$7.30 to \$7.70 for the bulk. Medium and good beef steers \$8 to \$10.35; butcher cows and heifers steady at \$3.75 to \$9.75; feeder steers \$5 to \$9; light and medium weight veal calves \$8 to \$10.25; fat lambs \$12.50 to \$15; feeding lambs \$10.50 to \$12.25; yearlings \$9.75 to \$12.75; fat ewes \$3.25 to \$6.50.

Eastern Shore of Virginia Irish Cobbler potatoes closing at \$2.25 to \$3.25 per bbl. in leading markets; \$2 f.o.b. Onley, Va. Norfolk stock mostly \$2 to \$2.50. Kansas Irish Cobblers slightly weaker at \$1.90 to \$2 sacked per 100 lbs. in St. Louis, \$1.40 to \$1.60 in Chicago. Georgia peaches, Hileys, weak at \$1 to \$1.50 per six basket carrier and bushel basket in city markets; few sales at \$1 f.o.b. Arizona cantaloupes, Salmon Tints, \$3 to \$3.50 per standard crate of 45 melons. Watermelon markets dull and slightly weaker.

Closing prices, 92 score butter: New York 40 3/4¢; Philadelphia 41 1/2¢; Boston 40 1/2¢; Chicago 38 1/2¢.

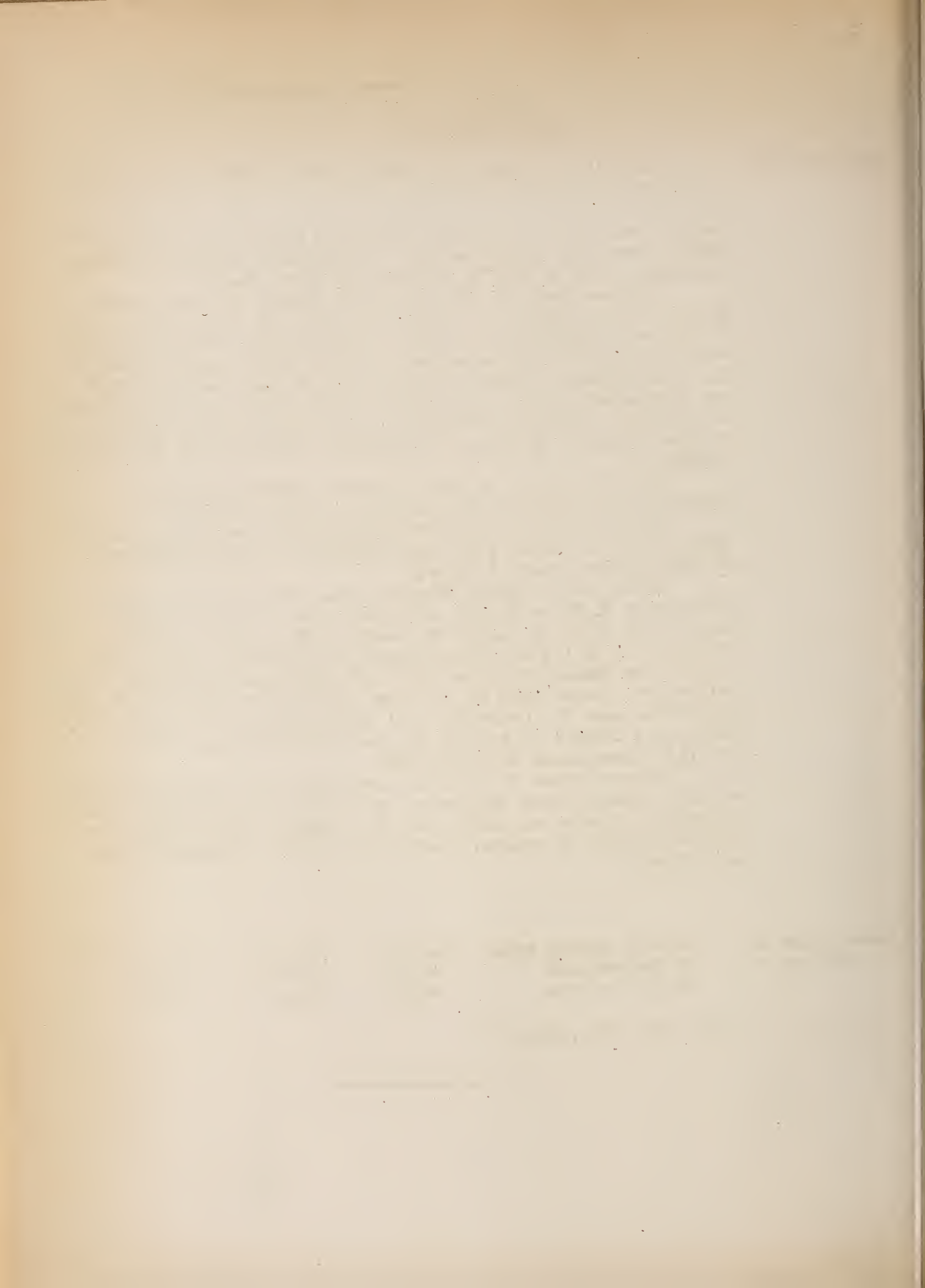
Closing prices at Wisconsin primary cheese markets July 15: Twins 17 3/4¢; Daisies 18¢; Double Daisies 17 1/2¢; Longhorns 17 3/4¢; Square Prints 18 3/4¢.

Grain prices quoted July 16: No.1 dark northern spring Minneapolis \$1.36 to \$1.59. No.2 hard winter Chicago \$1.28; Kansas City \$1.17 to \$1.22; St. Louis \$1.21. No.2 red winter St. Louis \$1.35 1/2 to \$1.36; Kansas City \$1.20 to \$1.21. No.2 yellow corn Chicago \$1.12 to \$1.12 1/2; St. Louis \$1.14 1/2. No.3 yellow corn Kansas City \$1.11; Minneapolis \$1.06 1/4 to \$1.06 3/4. No.3 white corn St. Louis \$1.13 to \$1.14; Kansas City \$1.09. No.3 white oats Chicago 57 to 58¢; St. Louis 58 1/4; Kansas City 62 1/2¢; Minneapolis 52 to 52 1/2¢.

Average price of Middling spot cotton in 9 designated spot markets compared with the average of 10 markets yesterday, advanced 46 points, closing at 28.97¢. per lb. New York July future contracts advanced 37 points, closing at 30.40¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	July 16,	July 15,	July 16, 1923
	20 Industrials	96.85	97.40	89.22
	20 R.R. stocks	88.08	87.68	79.16

(Wall St. Jour., July 17.)



DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIV, no. 15

Section 1

July 18, 1924.

The Wheat Advance A Chicago dispatch to the Washington Post to-day says:
"Practically \$1,000,000,000 has been added to the agricultural wealth of the United States as a result of the sensational advance in grain values in a little more than a month. At the same time many millions of dollars have been received by farmers in the Canadian Northwest, where wheat prices have jumped 42 cents a bushel, as against nearly 30 cents a bushel in the United States. This advance has created more optimism among farmers, bankers and all other interests and is reflected in an increase in general business with a cheerful tone everywhere."

The New York Times to-day says: "The wealth of farmers in the United States has been increased by \$1,000,000,000 since the first of this year, according to estimates of New York bankers, all of this gain having come in the last month and a half. This rapid change in agricultural conditions, bankers say, had much to do with the marked improvement in business sentiment in the past few weeks."

Packers File Reply in Suit A Chicago dispatch to the press to-day states that joint action by Swift & Co., Wilson & Co. and the Cudahy Packing Company, in the nature of a demurrer to a mandamus proceeding by the Federal Government seeking to open the packers' books to the administrators of the Packers and Stockyards Control act, was filed in Federal Court July 17.

Freight Rates Reductions in western railroad rates on grain, grain products and hay, sought by ten States of the Mississippi and Missouri Valley cereal growing region under the leadership of the State of Kansas, were definitely refused July 17 by the Interstate Commerce Commission. The appeal was supported by most of the farm organizations. At the same time, the commission decided that the results of an independent investigation which it had conducted into the level of rates on these same products in all sections of the United States had demonstrated no need for any changes, and proceedings before it bearing upon both issues were dismissed. (Press, July 18.)

Interallied Conference An Associated Press report from London July 17 says:
"American cooperation for putting the Dawes plan into effect to set Germany on her feet and stabilize the European economic situation was emphasized at the opening here July 16 of the Interallied Reparation Conference, with England's Prime Minister, Ramsay MacDonald, and Edouard Herriot, head of the new French Government, the leading figures. At the conference table with the delegates sat two American representatives, Frank B. Kellogg, American Ambassador to Great Britain, and Colonel James A. Logan, jr., American observer with the Reparation Commission...."

Section 2

Cooperative
Marketing

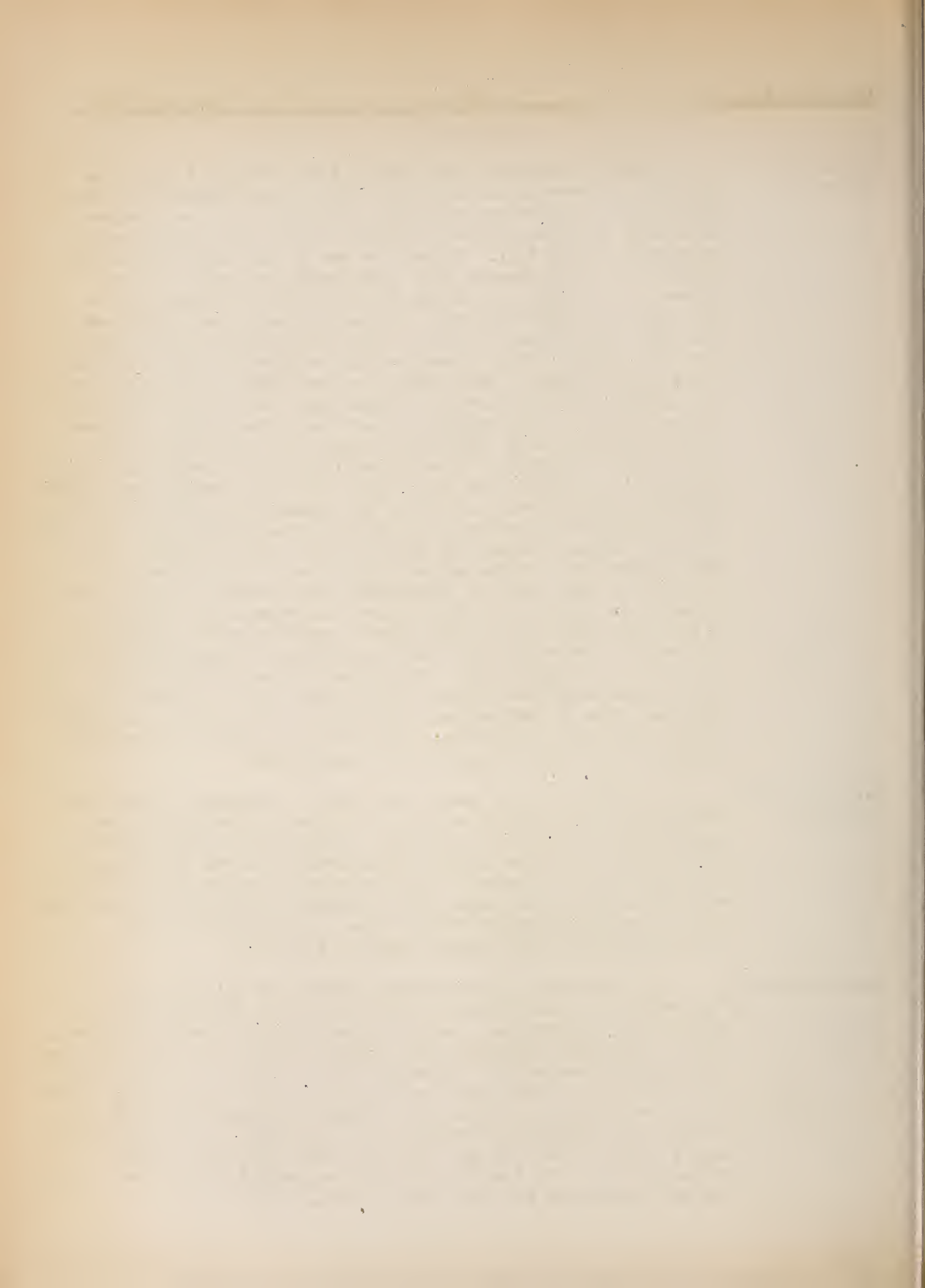
Pacific Homestead for July 10 says: "Another great cooperative enterprise has dissolved--The Oregon Growers--and as a result market conditions for fruit products have been hopeless this year, with the poorest prospects we have ever known for a prune market this fall. Prunes are one of our big crops and the country needs the revenue from a good crop of prunes at fair prices. It is well to analyze the cause of this failure as we have analyzed other failures. Oregon has been more unfortunate than has other States in her cooperative enterprises, and there must be a reason. That reason is that cooperation has not been given a fair chance. The trouble has been that too many growers are selfish. They believe in cooperation, but for the other fellow. They are not willing to bear their own share of organization expense, or to take their chances in the common pool. Cooperation in selling, to be successful, must embrace all of the growers of a product, not just a few. Too many farmers urge their neighbors to cooperate but remain out themselves because they expect to enjoy the benefits of a stable market created by collective selling, without bearing any share in the costs or risks. These independents thus become active competitors of the cooperative enterprise. They sell to independent dealers who use their crops to break the markets and thus injure the cooperative enterprise. It has been done to the prune market, and the entire trouble of the past two years has been the competition of independents--lack of sufficient cooperation. It was done to the milk producers, whose organization was smashed a few years ago by dairymen playing into the hands of independent dealers whose main purpose in life was to smash the cooperative, and it will be done to others just so long as this keen competition is permitted."

Farm Loan Board
Cuts Rate

The Federal Farm Loan Board July 16 announced a reduction from $5\frac{1}{2}$ to 5 per cent in the rate of interest charged on direct loans to all cooperative marketing associations. Board members declared the reduction should aid materially in the financing of this year's crop movement. The Intermediate Credit Banks which make the loans to the cooperative marketing associations last year loaned more than \$58,000,000 and this was distributed among approximately 200,000 farmers. (Press, July 17.)

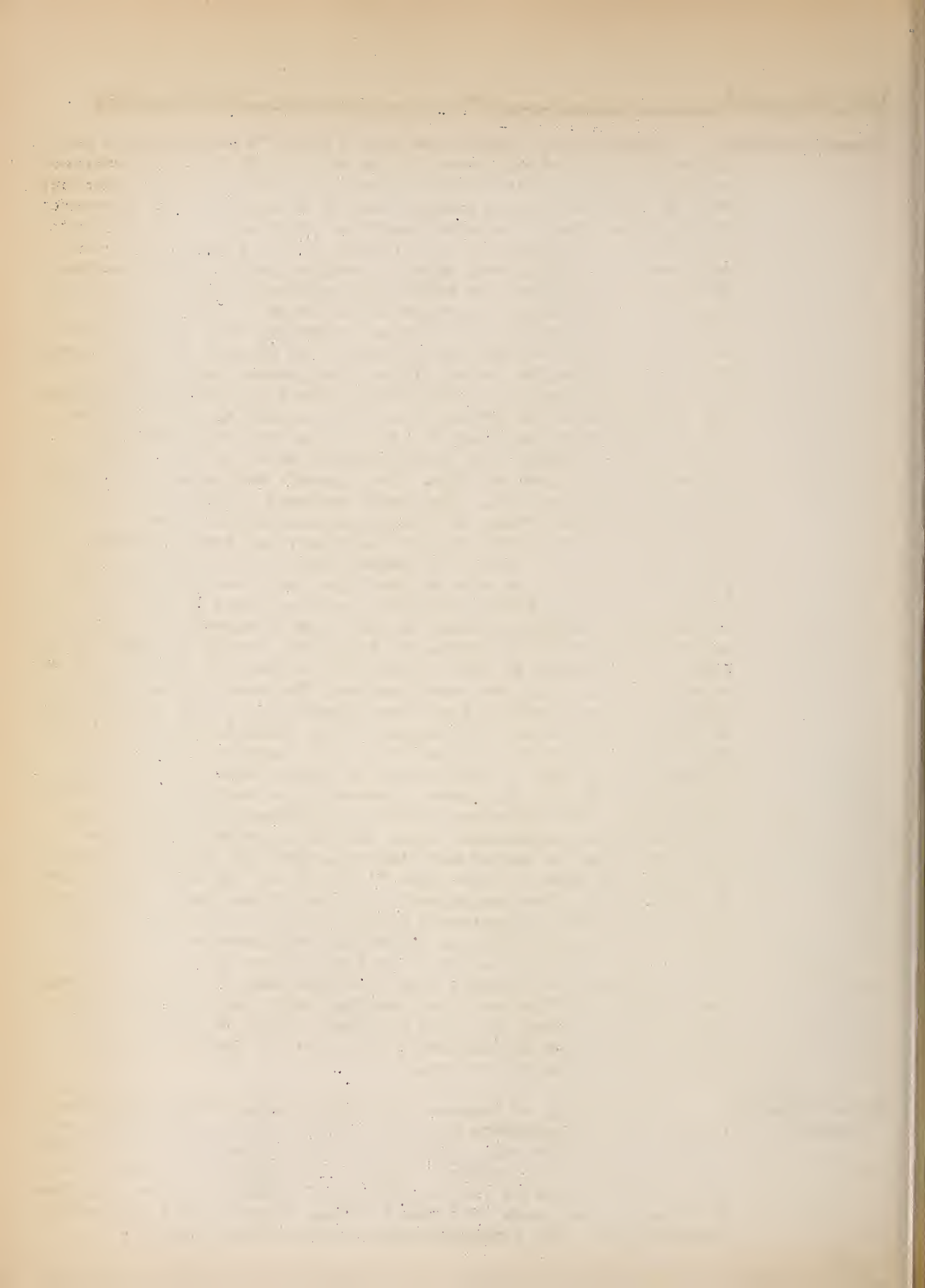
Farm Population

An editorial in Pennsylvania Farmer for July 19 says: "According to census figures worked out by the Sears-Roebuck Agricultural Foundation, farming is carrying the burden of rearing and educating 2,000,000 more children under ten years of age,--non-producers,--than city industry; this in spite of the fact that only one-third of the total population lives in the country. Farm people are feeding, clothing and carrying through the perils of infancy and childhood practically the equivalent of a small nation, only to turn it over to the cities as soon as it has reached a productive age. So far, no plan has been made by which the country can be compensated for this contribution."



Farmer's Position Topeka Daily Capital for July 9 says: "A report of the condition of the American farmer by the National Industrial Conference Board, the leading industrial research organization of the country, will be accepted without reservations as an impartial and competent statement on a much discussed question. This account of how the farmer stands economically is different in two respects from most data heretofore published, since it employs retail figures rather than the easily quoted but misleading wholesale prices of articles bought by farmers, and the value of his crops is calculated by the acre rather than the bushel or pound standard, with prices quoted as those received on the farm instead of in Chicago or other markets. For these reasons the report of the board comes close to the realities. At the end of the period covered in the study, in 1923, the board reports the prices of articles needed by the farmer at 186 and the prices paid him at 131, as compared with 1914. In other words, it finds that the purchasing power of the farm had fallen to 71 per cent of 1914. The farmer's dollar had relatively depreciated 29 per cent. Its report presents a series of charts showing the price trends of 10 crops in the last 10 years, the price trends of articles sold to the farmer and the purchasing power of an acre of crops. By these charts it appears that the purchasing power of an acre of crops increased over pre-war purchasing power from 1915 to 1920 to a peak of about 10 per cent improvement, sharply declined in that year to one-half of pre-war purchasing power in the middle of 1921, rose fairly steadily in 1922 and held level in 1923 at about 71 per cent of pre-war. 'For several years,' says the board further, 'the view has been widespread that the farmer has not been bearing his share of the burden of contributing toward the support of the Federal, State and local governments. It will doubtless come as a surprise to many economists, as well as authorities on agriculture, to learn that as a matter of fact the farmer appears to be overtaxed rather than undertaxed. The conference board in its exhaustive analysis on tax burdens and exemptions, finds that as a matter of fact the American farmer is paying more than his share of the Nation's tax bill, and has been for some time.' Yet he has the smallest dollar to pay it with. The prejudicial position of the farmer justifies every effort made by spokesmen for his interests in Congress and the country to set forth his plight and urge measures that will improve his relative standing. In Kansas there is no matter of greater concern politically than a readjustment of the tax burden. The pending constitutional tax amendment will help somewhat, but the next legislature will have no other subject so urgent as revision of taxation in this State on a basis of justice to all classes and privileges to none."

Grain Marketing Company The Journal of Commerce for July 17 says: "News comes from Chicago that arrangements have been completed whereby farmers have established or soon will establish a virtual monopoly of the marketing of grain in this country. If the plan works as intended control of storage facilities for grain will be more or less completely placed in the hands of farmers working through their cooperative organizations. The experiment here being carried forward is



unprecedented even in Soviet Russia. Whether the immense organization will find it possible under the management of the farmers who to date have little or no experience in the business to succeed as a business organization, (sic) Assuming that it can so maintain itself, its usefulness to the farmer will depend in large measure upon how wisely and how well it is operated. It is to be a monopoly. Let there be no misunderstanding on that score. No other branch of business, with the exception of labor unions, would for one moment be permitted by law to undertake any such schemes as are here in prospect. There is a great deal of talk among the farmers about opportunities for curtailing expense. In this phase of the matter the reader can hardly fail to recall the similar utterances of other capitalists when large and at least semi-monopolistic combinations were undertaken in the past in other branches of business. Some of these succeeded in realizing their hopes in this particular and some most decidedly did not. Conditions in which no effective competition is permitted to exist are not conducive to great energy and care of management. These are, however, matters which concern the farmer chiefly. There are other aspects of the situation in which the whole country has a very direct interest. To what use is the farmer planning to put his monopolistic power? What precisely does he mean by orderly marketing? That much overworked term has in the past been defined so that it would include a good deal that can hardly be expected to obtain the approval of conservative economists. If this newly formed business of the grain farmers is employed in efforts to hold grain off the market unduly in order to force prices up, not only is it more than likely that the whole scheme will go on the financial rocks but the rank and file of the consumers are certain to be heard from. On the other hand, incidentally, in times of low or falling prices the pressure to hold grain off the market is apt to be great in producing circles. Without much question a good deal needs to be done to reduce the costs of marketing the grain grown in this country. If the farmer by owning his own marketing organization can in fact succeed in reducing that expense he will be doing both himself and the country a service. At all events he is likely to learn a good deal about conducting business which ought to be helpful to him. In the meantime it would be of interest to know more of the details of the financial arrangement involved."

Grain Rates

Proposed readjustments of rates on grain and grain products from southeastern Missouri points to Memphis, New Orleans and other Mississippi Valley points, and between points in southeastern Missouri and St. Louis, Cairo, Ill., and related points July 16 were found justified by the Interstate Commerce Commission. New schedules which previously had been ordered suspended were canceled by the commission, however, and another revision will be worked out later. (Press, July, 17.)

Veterinarians

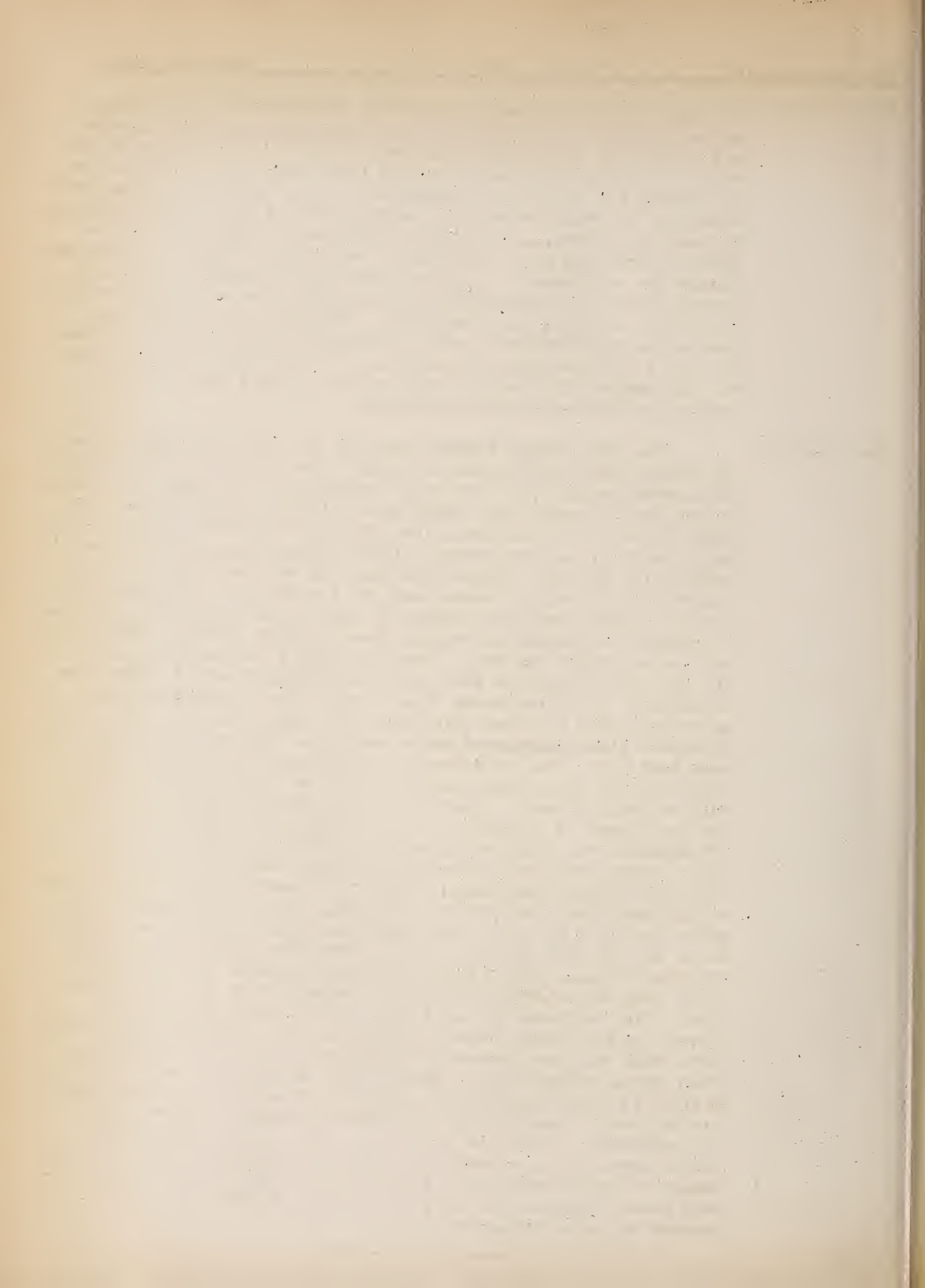
Hoard's Dairyman for July 11 says: "There are only 500 veterinary students in the United States. This means that less than three per State will be graduated each year for the next four years. This is not enough to supply the necessary number of veterinarians

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to take care of the growing livestock interests of this country. As we proceed in the eradication of contagious diseases, improve our methods of sanitation, and have a better understanding of the value of preventing diseases in our livestock, the larger will be the demand for skilled veterinarians. It is cheaper to spend some money for competent veterinary service than it is to permit disease to run its course.....We believe some serious attention need be given to training more young men in veterinary science. If any one thinks the advancement of sanitary methods of handling stock and the elimination of contagious diseases will lessen the demands for veterinary service, he is mistaken. The facts are it will increase the veterinarian's work. Veterinary medicine is an honorable and a very necessary profession. It is growing in demand and we can commend this work to young men who have a taste and an adaptation for such kind of service."

Wheat Advance

The Wall Street Journal for July 17 says: "On July 14 wheat at Chicago advanced $4\frac{1}{2}$ cents a bushel. Such a rise in one day may look sensational, but it is only the action of a market responding to the law of supply and demand when left free to function. Our grain market is not entirely free, for the Capper-Tincher law still hangs over it, but the removal of the McNary-Haugen fear leaves it comparative liberty. Since that bill was defeated wheat has advanced over 20 cents a bushel and, as the natural conditions favor a still higher level, the market in the United States will continue to respond to influences shaping toward higher prices. World crops and markets point the way. There has been a demand for wheat in the importing countries that upset the calculations of grain statisticians of international reputation. These countries wanted more wheat than had been calculated, and they took it. Now, with appetites still unappeased their own crops will prove to be smaller than last year. Due to decrease in acreage, the cold late spring and a drought in southern Europe, crops in the importing countries will be smaller than a year ago by many million bushels. In fact, our Department of Agriculture has estimated the crop of the northern hemisphere, exclusive of Russia, at 10 per cent less than last year. This condition will make the market unusually sensitive to crop and weather conditions. Our winter wheat crop and the stocks of old wheat are now matters of record, with a total considerably under that of last year. The market has taken cognizance of that fact, and all eyes now are turned toward our spring wheat and the Canadian West.....The official Canadian estimate now places the total crop at 318,600,000 bushels, compared with 474,000,000 last year. This estimate is based on a production of 300,000,000 bushels in the three western provinces. But a leading crop export wires that the crop in western Canada may not be half that, and other grain authorities in Winnipeg are pessimistic over the crop. Drought is doing considerable damage in Canada and now threatens our Northwest. Generous rains before irreparable injury is done are necessary to save the situation. But even if saving rains should come, it is apparent that North America will have a smaller amount of export wheat in a year when importing countries will demand more. Markets left free to function as they should will respond to those conditions."



Section 3 MARKET QUOTATIONS

Farm Products

July 17: Chicago hog prices closed at \$8.10 for the top and \$7.50 to \$7.90 for the bulk. Medium and good beef steers \$7.85 to \$10.35; butcher cows and heifers steady at \$3.75 to \$9.50; feeder steers \$5 to \$9; light and medium weight veal calves \$8 to \$10.25; fat lambs \$12.25 to \$14.75; feeding lambs \$10.50 to \$12.25; yearlings \$9.50 to \$12.50; fat ewes \$3.25 to \$6.50.

Eastern Shore Virginia Irish Cobbler potatoes ranged \$1.75 to \$2.75 per bbl.; top of \$3.25 in Boston and Chicago; \$2 f.o.b. Onley, Va. Norfolk and North Carolina stock \$1.50 to \$2.25. Georgia peaches, Hileys, \$1 to \$1.75 per bushel basket and six basket carrier in city markets. Belles \$1.25 to \$1.75. Arizona cantaloupes, Salmon Tints, standards 45's nearly steady at \$3 to \$3.50 in consuming centers. Watermelon markets dull and weak. Georgia and South Carolina Tom Watsons, 22-30 lb. average, closed at \$1.00 to \$2.75 bulk per car in most markets. Delaware and Maryland apples, early varieties, medium sizes, \$1.50 to \$2 per bu. basket in eastern cities.

Grain prices quoted July 17: No.1 dark northern spring Minneapolis \$1.38 to \$1.60. No.2 red winter Chicago \$1.29 1/4; St. Louis \$1.37 to \$1.39; Kansas City \$1.26. No.2 hard winter Chicago \$1.29 1/4 to \$1.37 1/2; St. Louis \$1.26 to \$1.27; Kansas City \$1.18 to \$1.25. No.2 yellow corn Chicago \$1.15 to \$1.16 1/4; Minneapolis \$1.09 3/4 to \$1.10 3/4. No.3 yellow corn St. Louis \$1.15 1/2 to \$1.16; Kansas City \$1.12 to \$1.15. No.3 white corn St. Louis \$1.15 1/2; Kansas City \$1.11. No.3 white oats Chicago 58 1/2 to 60 1/4; Minneapolis 52 1/8 to 52 5/8; St. Louis 52 1/2 to 59; Kansas City 59 to 61.

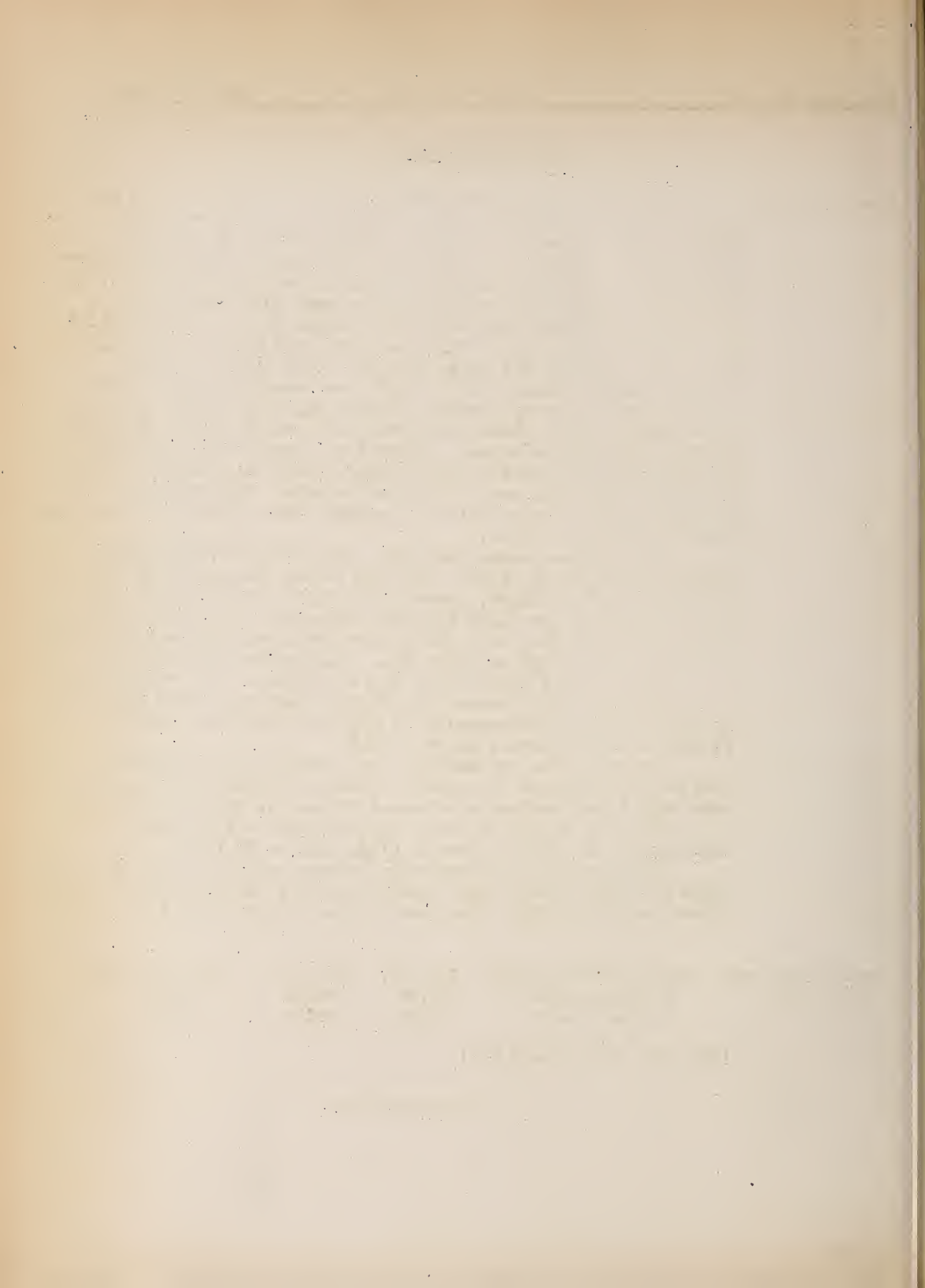
Average price of Middling spot cotton in 10 designated spot markets advanced 53 points, closing at 29.61¢ per lb.; New York July future contracts advanced 95 points, closing at 31.35¢.

Closing prices, 92 score butter: New York 40 3/4¢; Philadelphia 41 1/2¢; Boston 40 1/2¢; Chicago 38 1/2¢.

Closing prices at Wisconsin primary cheese markets July 16: Twins 17 1/2¢; Daisies 18¢; Double Daisies 17 1/2¢; Longhorns 13¢; Square Prints 18 3/4¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	July 17,	July 16,	July 17, 1923
	20 Industrials	96.85	96.85	89.50
	20 R.R. stocks	88.00	88.08	79.33

(Wall St. Jour., July 18.)



DAILY DIGEST

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Vol. XIV, no. 16

Section 1

July 19, 1924.

The President
Offers Further
Aid in Fires Secretary Weeks, at the direction of President Coolidge, sent a telegram yesterday to the commanding officer of the Ninth Corps Area, with headquarters at San Francisco, directing him to get in touch with Governor Richardson of California to ascertain if any aid could be rendered in the forest fire situation. (Press, July 19)

Warns Against
Grain Deal An Omaha dispatch to the press to-day states that C. J. Osborne, president of the Nebraska Farmers' Union, warned members of the union against purchase of stock in the \$26,000,000 consolidation of five grain handling companies into a cooperative marketing organization at Chicago. "True cooperation," he added, "starts at the bottom in the purchase of small elevators by the farmers. Right now a number of our smaller elevators have gone to the wall. This is because we have not learned the game thoroughly at the bottom....It is suicidal for farmers to dream of entering into such a gigantic plan at this time. They should remember they are purchasing the holdings of these five big concerns at reproduction cost minus depreciation. Under this plan farmers would acquire elevators at the sellers' own price and in a few years would learn that they could not realize on the investment."

Flour Prices A Chicago dispatch to the press to-day states that flour prices are rising as a result of the recent sharp advance in quotations on wheat. During the last month the increase for the best grade of family patents has amounted to more than \$1 a barrel. Reflecting the activities on the Chicago Board of Trade and the Winnipeg markets, prices were quoted in Minneapolis July 18 at from \$7.75 to \$8.05 a barrel for the best grades sold in carload lots.

Cotton Warehouse
Collateral Warehouse act, announces that the board of directors of the Federal Reserve Bank of St. Louis July 16 passed a resolution to the effect that after September 1, 1924, neither it nor its branches would accept as collateral warehouse receipts for cotton unless such receipts are issued by a warehouse duly licensed under the United States Warehouse act. The Federal Reserve Bank at St. Louis further advised that it notified all its member banks of this policy and all cotton warehouses which were on its approved lists for the season of 1923-24.

This action, Department of Agriculture officials think, should result in all cotton warehousemen in the St. Louis Federal Reserve District who can qualify under the Federal Warehouse act becoming licensed under this law before September 1.

Wool The rally in wool that started the latter part of last week has settled into regular activity, all grades showing heavier sales than for months. (Press, July 19.)

Section 2

Grain Marketing
Company

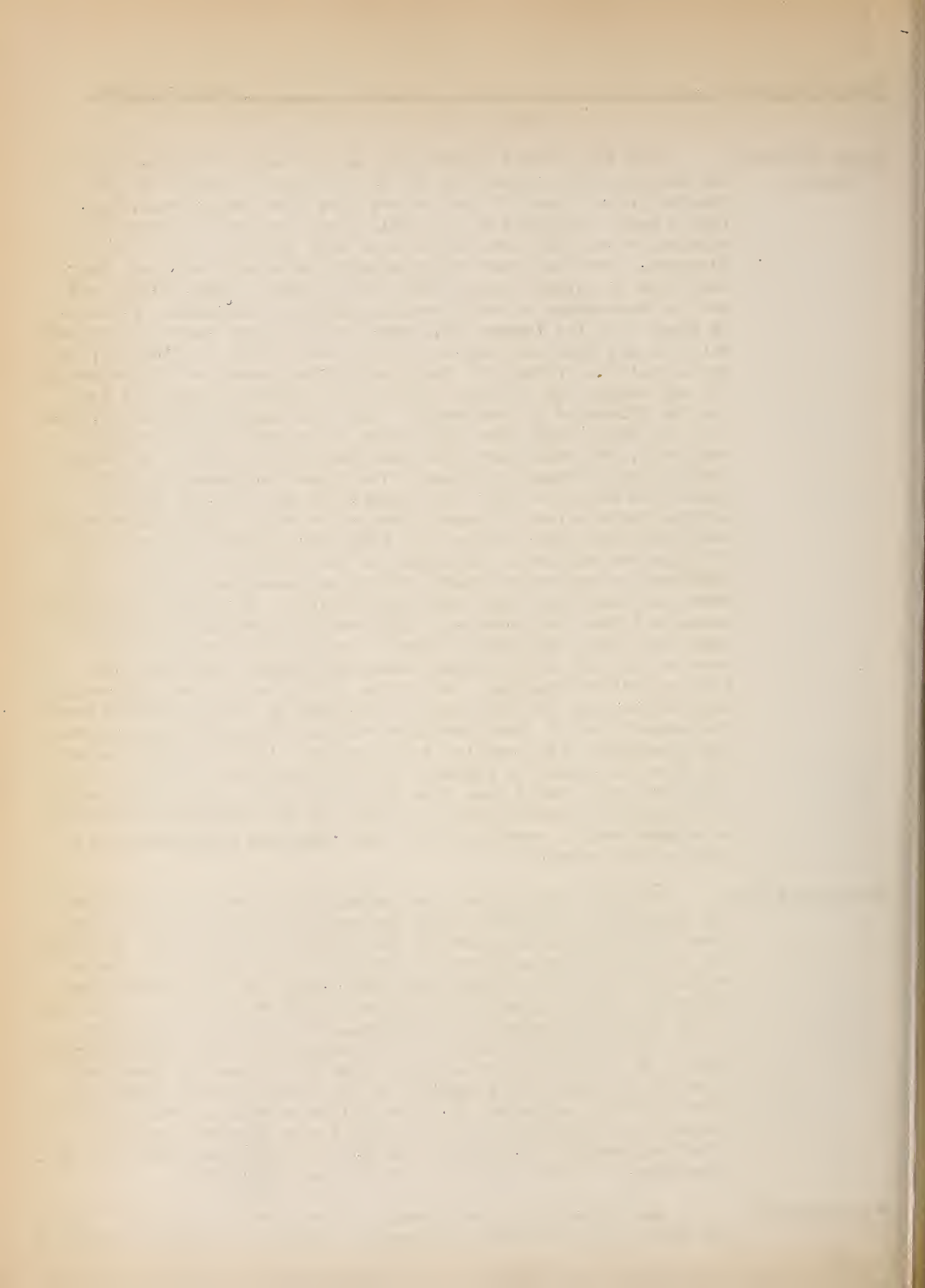
The Wall Street Journal for July 18 says: "Negotiations by the American Farm Bureau for the acquisition of several of the leading grain houses of the country have been completed...Thus, like a newly completed vessel, this giant cooperative marketing enterprise has slid down the ways to ride upon the sea of Big Business. Here is power and a potential monopoly that, in other than farm or perhaps labor hands, would cause a great outcry and set the Government to work investigating and enjoining. It is to be hoped that the farmers will realize that power carries responsibilities and that the public welfare comes first. If they do, the public will be friendly to their enterprise, even as Wall Street is. But any unwise use of power, even by the farmers, would not for long be tolerated by the people. Will the farmers realize all the benefits they expect from this great adventure? Here's hoping they will, but will they? The function of marketing is to bring producer and consumer together. The farmer in Kansas or North Dakota has wheat to sell; the consumer in New York, or perhaps London, wants a loaf of bread, done up in waxed paper, delivered to his table every day. There is a long road between the two, full of risks and expenses. Marketing is the traveling of that road; sometimes at the end it finds profits and sometimes losses. Not every one can travel that road successfully. Foresight, experience, business talent and unceasing vigilance are necessary, no matter under what name the traveler goes. Cooperative marketing will have to meet the same problems--meet the expenses and run risks like any other marketing. If it can do this with more skill--and less waste--than the individual system and in foreign markets meet the competition of other producers with more success than now, the new enterprise will justify its existence. If it does not do this and give the farmers a greater return it will be a failure. But at least one good should come from this enterprise. The result should be a thorough demonstration of whether or not cooperative marketing on a grand scale, assuming honest and competent management, is a help to the farmer."

Grain Price Rise

"Rising grain prices have undoubtedly served to strengthen the feeling of confidence which has recently been growing in the great agricultural districts of the Middle and Northwest. Probably the economic distress in these sections of the country was over-emphasized at best. In any case, the change has been toward improvement. It is significant that at the meeting several weeks ago of the Farm Loan bankers at Washington, it was stated that only 15,000 out of 300,000 farmers are delinquent in their mortgage payments. Of course, no one imagines that the advance in wheat and corn will at once give prosperity to the entire farming community. There is still sufficient distress and undoubtedly it will be made evident in a political way at the polls next November but its effect is steadily diminishing and that is sufficient news for the time being." (The Magazine of Wall Street, July 19.)

Wheat Acreage

An editorial in Pennsylvania Farmer for July 19 says: "Will the wheat grower increase his acreage? This is a proper question at



this time taking into account the rising price of wheat and the tendency of farmers to expand on a rising market. No greater mistake could be made than to jump to the conclusion that conditions point to a continued rise. It is quite possible that the wheat market during the coming months of the year may continue strong, but this and the present rise may be attributed to the shortened crop caused by seasonal conditions and not to an increased demand. Most emphatically, we say, there is no excuse for increasing the wheat acreage this year."

Section 3 MARKET QUOTATIONS

Farm Products

July 18: Chicago hog prices closed at \$8.10 for the top and \$7.50 to \$7.95 for the bulk; medium and good beef steers \$7.75 to \$10.25; butcher cows and heifers \$3.75 to \$9.50; feeder steers \$5 to \$8.75; light and medium weight veal calves \$8.50 to \$10.75; fat lambs \$12.25 to \$14.75; feeding lambs \$10.50 to \$12.25; yearlings \$9.50 to \$12.50; fat ewes \$3.25 to \$6.50.

Eastern Shore Virginia Irish Cobbler potatoes closed at \$1.85 to \$2.85 per bbl. in leading cities; \$1.65 to \$2 f.o.b. Norfolk and North Carolina stock \$1.50 to \$2.25. Georgia peaches, Hileys, \$1 to \$1.75 per six basket carrier and bushel basket in city markets; mostly 85¢ f.o.b. Arizona cantaloupes, Salmon Tints, standards 45's \$2.75 to \$3 in New York and Chicago, steady to firm at \$3 to \$3.75 elsewhere. Watermelon markets dull and weak. Georgia and South Carolina Tom Watsons, 22-30 lb. average, sold slowly at \$150 to \$250 bulk per car in eastern markets. Delaware and Maryland early apples \$1.50 to \$2 per bu. basket in eastern cities.

Closing prices, 92 score butter: New York 40 3/4¢; Philadelphia 41 1/2¢; Boston 40 1/2¢; Chicago 38¢.

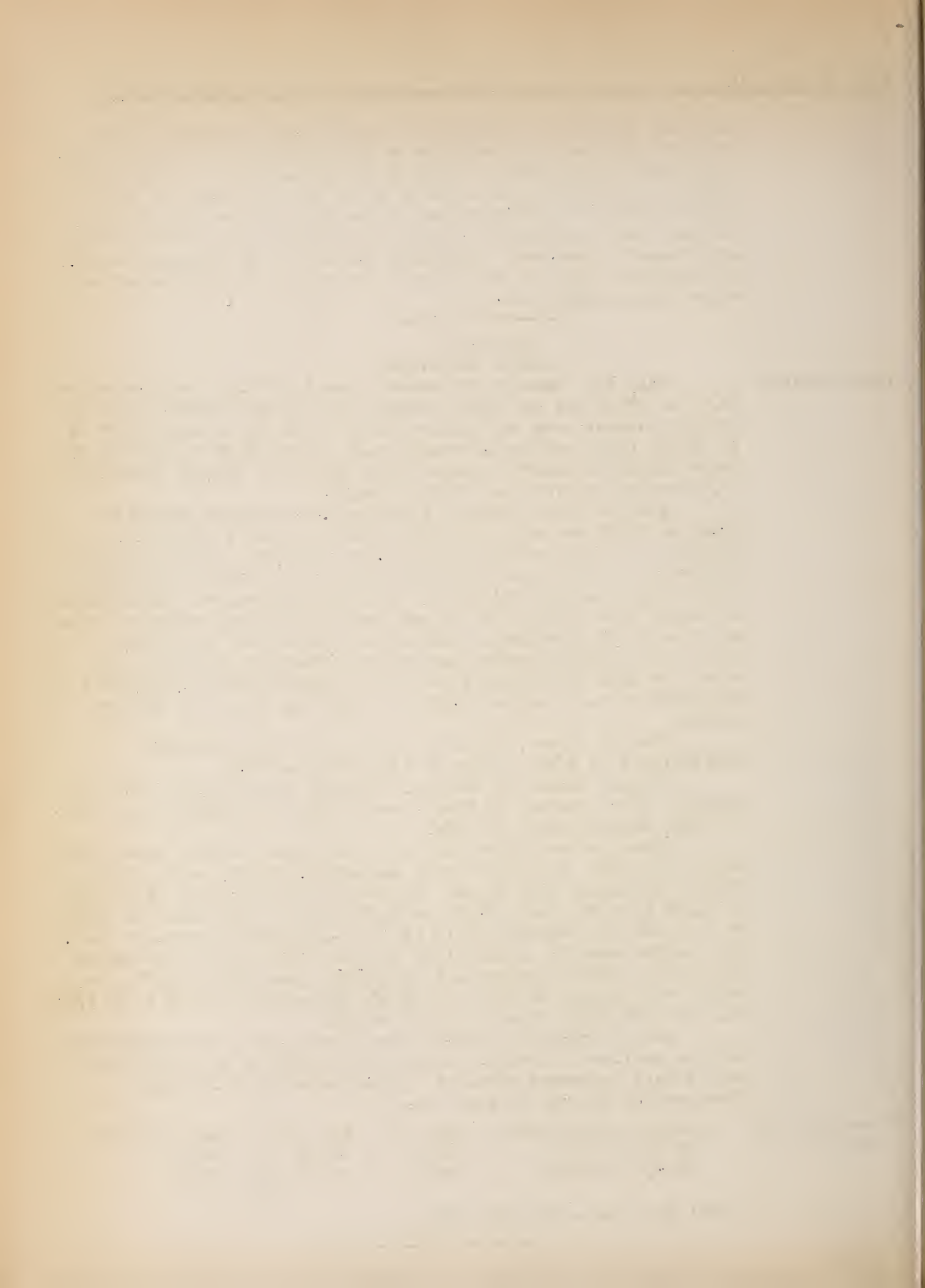
Closing prices at Wisconsin primary cheese markets July 17: Twins 17 1/4¢; Daisies 18 1/4¢; Double Daisies 17 3/4¢; Longhorns 17 3/4¢; Square Prints 18 3/4¢.

Grain prices quoted July 18: No.1 dark northern Minneapolis \$1.32 to \$1.52. No.2 red winter Chicago \$1.29; St. Louis \$1.38 to \$1.39 1/2; Kansas City \$1.28. No.2 hard winter Chicago \$1.27 1/4 to \$1.28 1/4; St. Louis \$1.25 to \$1.27; Kansas City \$1.17 to \$1.27. No.2 yellow corn Chicago \$1.13 1/2 to \$1.14 3/4; Minneapolis \$1.06. No.3 yellow corn St. Louis \$1.14 to \$1.14 1/2; Kansas City \$1.12. No.3 white corn St. Louis \$1.14 to \$1.15; Kansas City \$1.07. No.3 white oats Chicago 55 1/2 to 59 1/2¢; Minneapolis 50 1/2 to 51 1/2¢; St. Louis 58 1/2¢; Kansas City 58 to 59¢.

Average price of Middling spot cotton in 10 designated spot markets declined 23 points, closing at 29.38¢ per lb.; New York July future contracts advanced 5 points, closing at 31.40¢.
(Prepared by the Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	July 18,	July 17,	July 18, 1923.
	20 Industrials	97.40	96.85	90.01
	20 R.R. stocks	88.60	88.00	79.25

(Wall St. Jour., July 19, 1924.)



DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIV, no. 17

Section 1

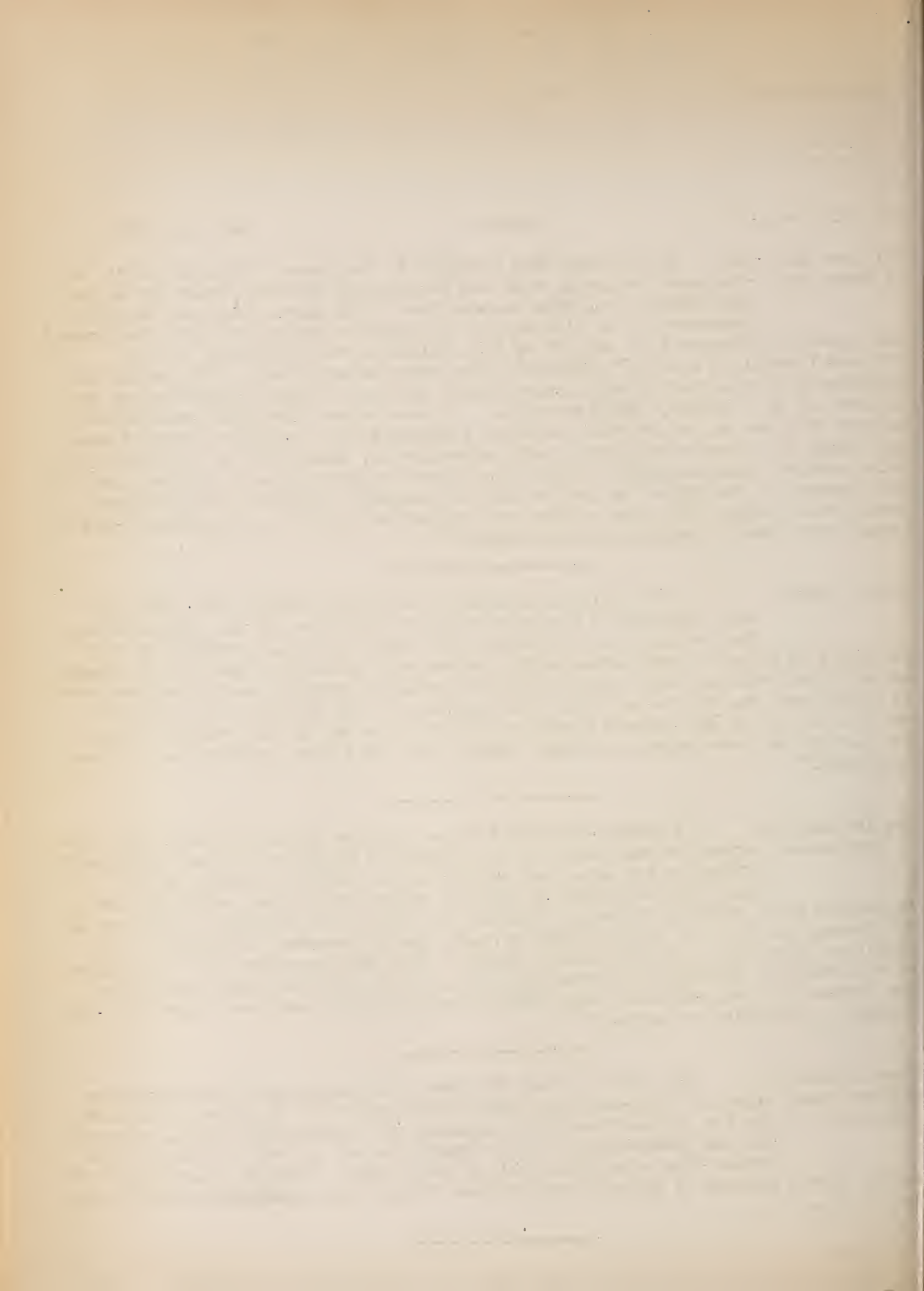
July 21, 1924.

Williams Sees Loss in Grain Deal An Oklahoma City dispatch to the press of July 20 says: "A statement declaring that the \$26,000,000 Farmers' Grain and Elevator Corporation, with headquarters in Chicago, which was recently incorporated in Illinois, is a 'gigantic attempt to fool the farmer,' was issued at Oklahoma City July 19 by Carl Williams, vice president of the National Council of Farmers' Cooperative Marketing Associations. 'It has all the earmarks of a situation in which unprofitable private elevator properties may be disposed of at a profit,' Williams said. 'I have information that leads me to believe that one of the private companies absorbed in the so-called farmers' merger turned in elevator properties worth approximately \$2,000,000 at an inventory value several times in excess of that, and there is good reason to believe that the new corporation has agreed to pay for all its terminal facilities, or four times their actual value. The plan of the new corporation itself as to handling grain is nothing more than a commission sales agency.'"

Cotton Market A New Orleans dispatch to the press to-day says: "The last week witnessed a marked revival of activities in the cotton market, due mainly to a realization that the crop in all probability will not prove as large as many enthusiastic traders were disposed a week ago to assume. Added to this was the fact that the world is actually going to need a comparatively large crop, due to the certainty that supplies of the old crop to be carried over at the end of the current month, which marks the end of the present season, are certain to prove nearer an actual famine than the cotton industry has yet experienced."

The Interallied Conference A London Associated Press dispatch of July 19 says: "The committee on sanctions of the interallied conference agreed unanimously to-day on two important principles to govern the action of the allies in the event of possible default by Germany under the Dawes reparation plan, namely, to insure investors in the loan to Germany of priority on all German resources in event of such default, and to preserve the rights of the countries signatory to the Versailles treaty. With this agreement, in the opinion of the American, British and French delegates, a long step has been taken toward the success of the conference, upon which such high hopes have been raised for the economic restoration of Europe."

Pan-American Highway Commission The press of July 20 states that having completed organization of a pan-American body for the promotion of highway education in the various countries composing the Pan-American Union, delegates to the Pan-American Highway Commission are en route to their countries with a definite goal in their minds, based on observations of United States methods of highway construction obtained on a 4,000-mile tour through ten States.



Section 2

Bacon Hogs

An editorial in Hoard's Dairyman for July 18 says: "According to reliable reports, American bacon has been losing ground steadily to the Danish product in the English market. The English market is one of the principal export outlets for pork products and if the American hog raiser is to hold his share of this market he must improve his hogs by breeding and feeding. The Danish farmer has directed himself to raising the kind of hogs that will produce the best quality of bacon. The process of making bacon in Denmark is not superior to that followed in this country but the hog, due to methods of breeding and feeding in Denmark, meets the requirements of the English market better than does the American hog. The dairy farmers in this country are in admirable position to produce the quality of bacon demanded in the English market. A large percentage of them have an adequate supply of skim-milk and there are many sections where barley will produce more feed per acre than corn. Skim-milk and barley are two important feeds in the production of high quality bacon. Whey and barley make an admirable ration and produce very satisfactory gains as well as high quality pork. There are packing companies ready to enter upon an educational program among the hog producers to breed, feed, and grow hogs for bacon production. What is desired is lean bacon. An inducement to raise hogs, which will measure up to the standard for bacon, will be made by paying an increased price for them."

Cotton Mills in
Texas

An editorial in Farm and Ranch for July 19 says: "Interest in the development of the cotton mill industry in Texas is becoming State-wide. President McClellan, of the Textile Association of America, says that Texas is a logical place to manufacture cotton goods of all kinds and classes, and advises the construction of mills that will not only manufacture coarse goods, but also do the finer work, including the printing and finishing. At the same time he issued a warning against 'fly-by-night' promotion schemes. 'Mills must be properly financed. In addition you must have the services of a good textile engineer and be assured of proper management. Under such conditions, cotton mills generally pay a fair dividend on the investment.' There is much being said about cotton mills for the Southwest and little about mills to handle our great output of wool and mohair. One might reasonably conclude that in view of the fact that Texas produces 70 per cent of the Nation's mohair and is a leader in the production of wool, that mills to convert this raw product into finished goods would be just as profitable as cotton mills. It may be that there are other obstacles in the way of making a success of mills using wool and mohair, but if there is, no doubt they can be overcome."

Economic Questions
Abroad

An editorial on the Interallied Conference in The Journal of Commerce for July 18 says in part: "Back of the political differences are divergent economic aims which further emphasize the difficulties that have faced negotiators at previous conferences and are likely to reappear in intensified form at the present gathering. Great Britain needs the German market and recognizes that need more and more as the years pass and her export trade does not even attain pre-war standards, although her population has grown. She recognizes

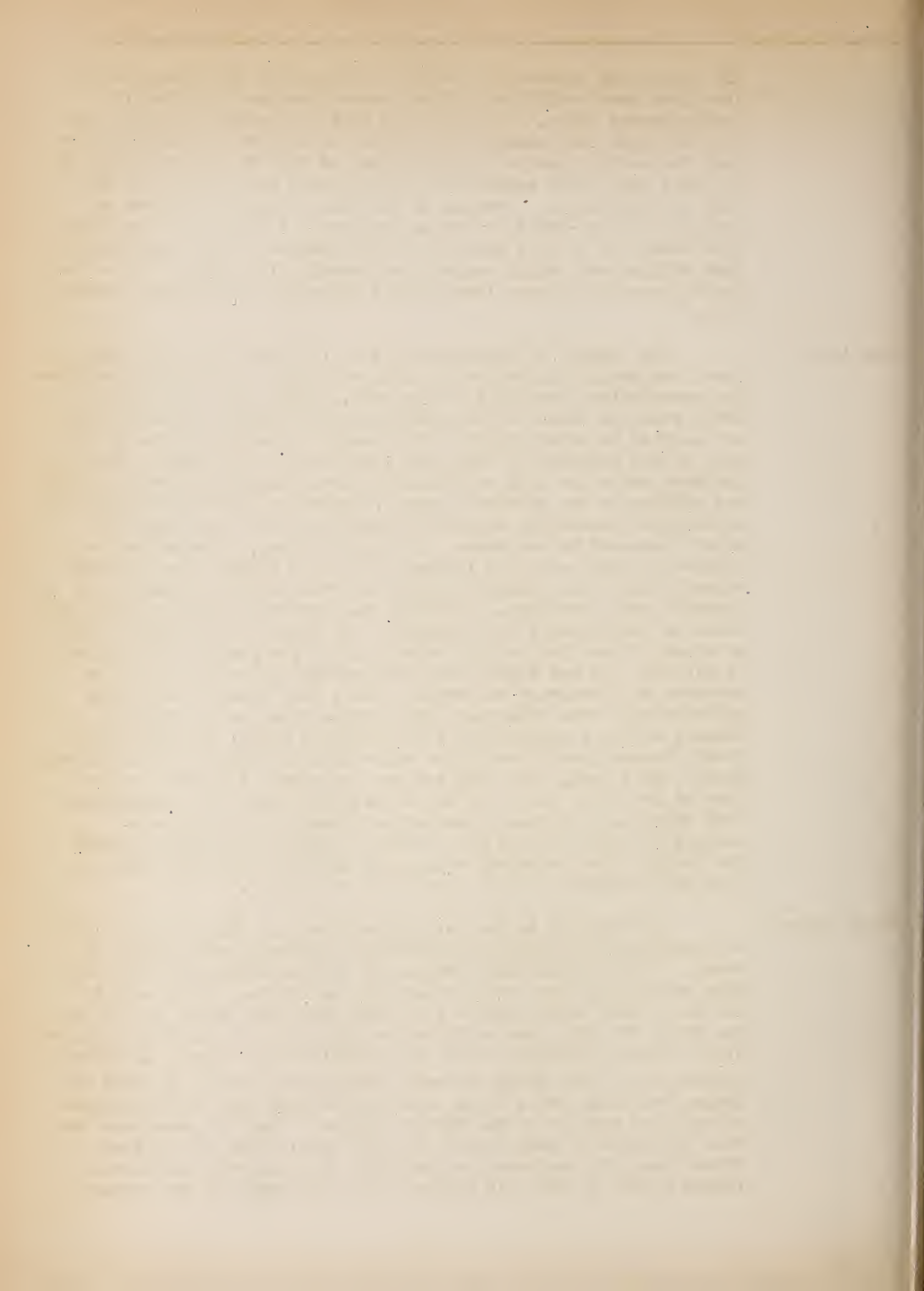
the connection between the economic prostration of Germany and the fact that over a million British workers continue to live off 'unemployment doles.' She realizes that the losses inflicted upon her own trade and commerce by a policy of too great repression are much too costly from the British point of view to be compensated by any sums that might conceivably be extracted from Germany in the form of reparations. France, on the other hand, is obsessed by political fears--fears of German aggression following economic revival--and she is also oppressed by the burden of her own immediate debt obligations, which become more unwieldy from day to day as the French investor becomes increasingly lukewarm toward public securities."

Farm Loans

The Journal of Commerce for July 18 says: "The Farm Loan Board has decided to reduce the rate on loans to cooperative marketing associations from $5\frac{1}{2}$ to 5 per cent, giving as a reason the lower rates at which the intermediate credit banks themselves are now enabled to obtain funds. It is said, however, that the lower rate is not expected to stimulate borrowing to any extent. When interest rates are high and 'money' scarce students of credit policy and critics of the Reserve system are prone to insist that there is an intimate connection between discount rates and the amount of credit demanded by borrowers. It is, therefore, strange that in periods of easy money and low rates there is little or no protest raised against the assumption that borrowing is not encouraged by downward rate revisions. Certainly the statement appears to fit the facts in the majority of instances. But since it does, may it not be equally true that raising rates charged for loans, when interest is already high and demand for funds active, likewise fails upon occasion to discourage borrowers? That, too, seems to have been unfortunately true while our agricultural boom was in progress. Farmers were not discouraged from borrowing merely by high rates. Their discouragement came later after they had obtained their loans. On the other hand, they will not now be induced to borrow by the lure of low rates when they do not require loans. The assumption that there is an intimate connection between changes in rates charged to borrowers and the amount of credit outstanding is much too facile. For practical reasons we need to revise our ideas on this whole subject of the effect of rate changes."

Flour Exports

An editorial in The Rural New-Yorker for July 19 says: "Here is something not usually considered in discussing our exports in wheat. It is stated that sections of Eastern Africa have for some time been buying soft wheat flour from Australia. As is usually the case, many people prefer the flour from hard wheat, and before the Great War this kind of flour was imported from the United States. Since the war, however, Canada has supplied this flour. The chief reason is that the Union of South Africa has a tariff on flour and grain, and they give a 3 per cent preferential duty to the English colonies or members of the British Empire. Thus the Canadians can take advantage of this tariff and ship their flour at a better figure than the Americans can obtain. There is some sentimental reason mixed up with this matter as the importers of the British



Empire will from choice trade with each other. It is said, however, that the American producers have failed to make any particular effort to recover the trade which they had before the war."

Flour Prices

A New York dispatch to the press of July 18 states that flour prices jumped again July 17 following the strong upturn in wheat. Some of the fine spring patents reached \$8 a barrel, while hard winter straights ranged from \$6.60 to \$7.15.

Forest Fires

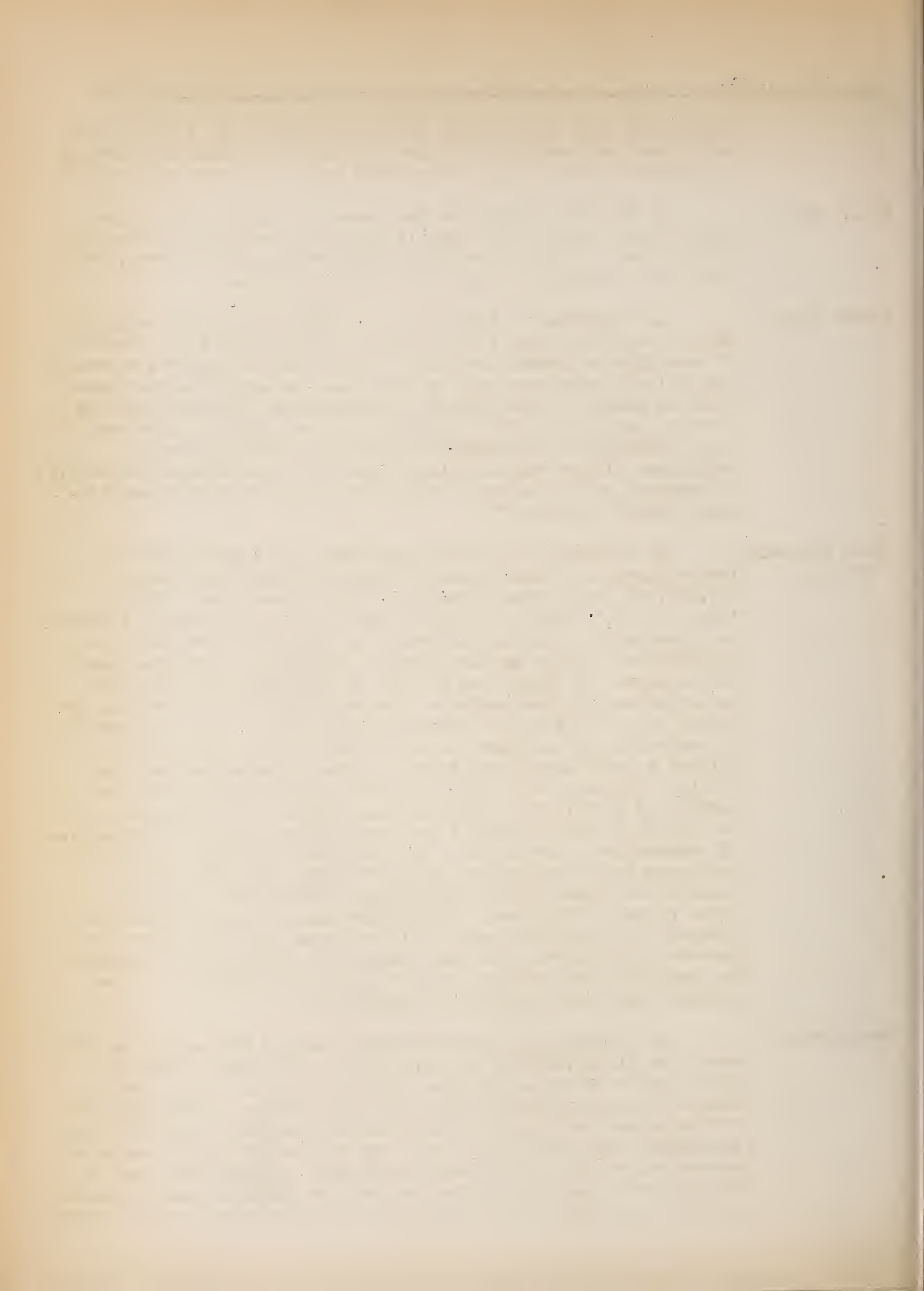
An editorial on forest fires in The Philadelphia Ledger for July 19 says:"....Hope for the future lies not alone in a campaign of education to compel the alert watchfulness of campers, motorists and railway operatives, but in developing an aerial service armed with the means of extinguishing conflagrations in dense mountain forests, areas which it is difficult for men afoot to traverse. In few connections are preventive measures so richly rewarded. Negligence of our standing timber does more than defraud posterity; it destroys one of the chief assets in a commonwealth of magnificent natural resources."

Grain Marketing Company

An editorial in The New York Times for July 18 says: "So far as there is a sound economic idea underlying the farmers' \$26,000,000 cooperative movement, it will class itself with the 'good trusts.' There is room and need for a good farmers' 'combine' An opportunity exists to integrate the industry of producing and distributing food by uniting farmers, railways, elevators, banks and traders. No alarm need be felt at the report that the new marketing combination includes a larger proportion of the farm industry than is allowed to any industrial trust. It is not possible to monopolize agriculture. A bad farmers' trust will not be .. allowed to hide behind the formula of 'an organization not for profit.' So long as it sells cheaply it will benefit the community and justify its organization.....There is no complaint of the extent to which farmers' combines already operate. Agricultural cooperatives marketed over two billions' worth last year, and were expected to sell three billions' worth this year. The figures are those of the Agricultural Department. There are other figures of failure. Combination alone will not enrich the farmers, but experience will at least teach them the methods and hazards of business. This new movement is further to be welcomed as signifying the retreat of the farmers from politics to consolidate their new position in economics."

Grain Prices

An editorial in The Philadelphia Ledger for July 19 says:"... More than \$1,000,000,000 has been added to the farm wealth of these United States in the last six months by the rise in wheat alone. The agricultural change has been amazing. Under this upward movement has been the conviction that weather conditions were preventing overproduction. Cold, wet weather all spring and into summer has written itself into the market. Droughts and heat in the Southwest and droughts in the Canadian Northwest have strengthened the probabilities of short crops and Government estimates tend



to confirm market trends. The law of supply and demand, sometimes suspended but never repealed, is doing the rest. Last year there was overproduction and millions of bushels of 'distress wheat' had no market. Ten months ago the Wheat Country was talking itself hoarse about 'cutting acreage.' There was a small man-made reduction; but Old Mother Nature and the weather gods have attended to 'acreage' in their own inscrutable ways. Drowned-out corn, plowed under wheat, chill winds here and burning suns there mock the puny talk of a year ago. A rise in prices followed as day follows dawn. It has been broken here and there by downward dips; but renewed waves of buying have swept markets higher and higher. Breaks like those of yesterday have been followed by determined rallies.... Overproduction in a world where consumption was not keeping up with production hurt American farms. To relieve that hurt and quiet the unrest caused by it all manner of foolish legislation was and is proposed. Nature has taken the short cut. We are being taught once more--what has been established through generations--that a smaller yield brings a higher cash return on the total crop. This time the farmer is benefiting. He is shipping 40,000 carloads of grain from his cribs and granaries every week and has a new crop coming on. This year the high prices come in time for him to profit by every dollar of them."

Russian Harvest

The New York Times for July 19 says: "Famine has been a recurrent topic in the news from Moscow for some weeks. There seems little doubt that large areas in the South Volga region, in part of Ukraine and in Turkestan and Siberia will need relief. Fortunately, there is no reason as yet for crediting alarmist reports to the effect that Russia is facing a famine greater than the devastating visitation of 1921. The harvest of that year fell to less than half of normal. The 1922 crop was about 70 per cent of the pre-war average. For the present year the Government estimate was fixed at approximately that level. It is now admitted that the harvest will fall short, but in order to repeat the tragedy of 1921 the estimate would have to be drastically cut. Of such a calamity there has as yet been no definite indication, unless it should turn out that the Soviet Government has been suppressing the facts.... That Moscow perceives the danger of sending food out of the country has been shown by the wholesale cancellation of contracts to deliver grain in Germany, as a result of which German trade with Russia is reported to have shrunk to a point where Germans are beginning to lose interest in the whole subject of Russian trade.... Premier Rykov declared a fortnight ago that the cultivated area to-day is from 85 to 90 per cent of the pre-war average. There are Soviet figures to indicate that 75 per cent is nearer the truth. The slightest margin of decline is formidable in view of the fact that there has been a reduction in agricultural efficiency due to the lack of machinery, livestock and fertilizer, and that at no time has the Russian peasant risen much above the bare subsistence level. For years now the Russian people have been living on two-thirds the amount of food they consumed before the war."

Section 3
MARKET QUOTATION
(Weekly Review)

Farm Products

July 19: Chicago prices ranged from 40 to 45¢ higher for the week ending July 18; medium and good beef steers 35 to 50¢ lower; butcher cows and heifers 15 to 50¢ lower; feeder steers steady to 25¢ lower; light and medium weight veal calves 50 to 75¢ lower; fat lambs 50¢ higher; feeding lambs steady to 25¢ higher; yearlings 50¢ higher and fat ewes steady to 25¢ higher.

Eastern potato markets dull and weak. Kansas Irish Cobblers slightly weaker at \$1.40 to \$1.65 sacked per 100 lbs.; carlot sales, in Chicago. Georgia peaches, Hileys, 75¢ to \$1.50 lower. Elbertas \$1 to \$1.25 at Georgia shipping point. Arizona cantaloupes Salmon Tints, standards 45's slightly weaker in New York and Chicago; steady to firm elsewhere. Watermelon markets dull and weak.

Butter markets about steady. Receipts heavy and somewhat in excess of immediate demand despite an active into storage movement. Production favored by good pastures in dairy sections.

Cheese markets firmer following previous weeks price declines. Trading more active but buyers cautious and discouraging any advance. Production heavy except in parts of New York State where backwardness of season still evident to some degree. Active buying for storage.

Grain market strong during week with sharp decline toward close. Wheat showed net gain 8 to 10¢. Corn up 5¢. Gains attributed to drought in Canada and unfavorable reports on corn crop. Demand for cash grain less active.

Hay market continues dull. Oversupply low grades in eastern markets. Limited demand for alfalfa from South and Southeast. Prairie market firmer on light receipts.

Wheat millfeed market continues firm with quotations slightly higher on account of the continued advance in grain prices. Offerings from mills light but fair from lake port storage and of sufficient volume to take care of the very light demand which seems to be principally from jobbers.

Average price of Middling spot cotton in 10 designated spot markets advanced 83 points for the week ending July 18, closing at 29.38¢ per lb; New York July future contracts advanced 175 points, closing at 31.40¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	July 19,	July 18,	July 19, 1923
	20 Industrials	98.09	97.40	91.35
	20 R.R. stocks	88.69	88.60	80.05

(Wall St. Jour., July 21.)

DAILY DIGEST

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Vol. XIV, no. 18

Section 1

July 22, 1924.

Grain Companies A Minneapolis dispatch to the press of July 22 states that Offer Holdings thirty-six grain companies of the Northwest July 21 offered to sell to Farm Bureau their entire holdings, including 1,062 country elevators in Minnesota, North and South Dakota and Montana, to the American Farm Bureau Federation. These holdings also include twenty terminal elevators in Minneapolis and twelve in Duluth, with the total elevator capacity approximating 65,000,000 bushels, according to announcement.

A Chicago dispatch says: "The offer of northwestern grain interests to sell widespread marketing facilities to the American Farm Bureau Federation will be placed before the board of directors of the recently organized grain sales corporation at Chicago, July 22, it was officially announced by O. E. Bradfute, president of the federation."

Grain Marketing Company A Chicago dispatch to the press to-day states that the main business before the board meeting of the Grain Marketing Company to-day will be discussion of by-laws for the corporation and the election of a permanent board of directors. The drafting of a tentative contract for the taking over of the Chicago properties also will be considered. Up to the present time a working capital of about \$4,000,000 is available for the financing of the \$26,000,000 transaction. According to interested persons, the valuation of the five Chicago properties involved is approximately \$12,000,000. "It is entirely probable," said Millard Myers, spokesman for several cooperative elevators, "that the new corporation will buy additional properties besides those offered by the Chicago firms. That will be a matter of policy to be determined by the directors." A new suggestion touched upon yesterday, in the informal discussion of the Chicago proffer, was that an agreement might be reached under which the new selling corporation would merely lease the grain firms' properties for the first year, leaving purchase for later consideration in the event the plan was demonstrated to be a success. Whether this suggestion would be submitted to the formal meeting to-day of the temporary directorate was not revealed.

Hughes Offers Aid for Europe Charles Evans Hughes, American Secretary of State, in an address before the Pilgrims' dinner in London last evening, said: "You may count upon our interest and assistance in necessary measures to assure the economic rehabilitation of Europe. It does not matter that this aid is not given by the Government. Without wishing to say anything controversial on this occasion, I may give it as my conviction that had we attempted to make America's contribution to the recent plan of adjustment a governmental matter we should have been involved in a hopeless debate and there would have been no adequate action. You have the Dawes plan and you have had the participation of American experts with the liberty of constructive effort....When you deal with economic rehabilitation you doubtless have in mind such contributions as America may be able to give in disinterested advice and later in participation in the absolutely essential loan. The important...thing is that methods should be contrived, and that your disposition should be such that assistance of that sort can be rendered." (Press, July 22.)

The first of these is the fact that the population of the United States has increased from 3,929,214 in 1790 to 23,192,379 in 1840. This increase has been the result of a number of causes, the most important of which are the immigration of foreign born persons and the natural increase of the native born population. The immigration of foreign born persons has been the result of a number of causes, the most important of which are the search for better living conditions and the desire to escape political and religious persecution. The natural increase of the native born population has been the result of a number of causes, the most important of which are the high birth rate and the low death rate.

The second of these is the fact that the population of the United States has become more diverse in race and ethnicity. In 1790, the population was almost entirely white. By 1840, the population was composed of a number of different racial and ethnic groups, including white, black, and Indian. This diversity has been the result of a number of causes, the most important of which are the immigration of foreign born persons and the natural increase of the native born population. The immigration of foreign born persons has brought with it a number of different racial and ethnic groups, including white, black, and Indian. The natural increase of the native born population has also brought with it a number of different racial and ethnic groups, including white, black, and Indian.

The third of these is the fact that the population of the United States has become more concentrated in the eastern half of the country. In 1790, the population was distributed fairly evenly across the country. By 1840, the population had become more concentrated in the eastern half of the country. This concentration has been the result of a number of causes, the most important of which are the search for better living conditions and the desire to escape political and religious persecution. The search for better living conditions has led to a number of people moving to the eastern half of the country, where there were more opportunities for land and employment. The desire to escape political and religious persecution has also led to a number of people moving to the eastern half of the country, where there were more opportunities for freedom and safety.

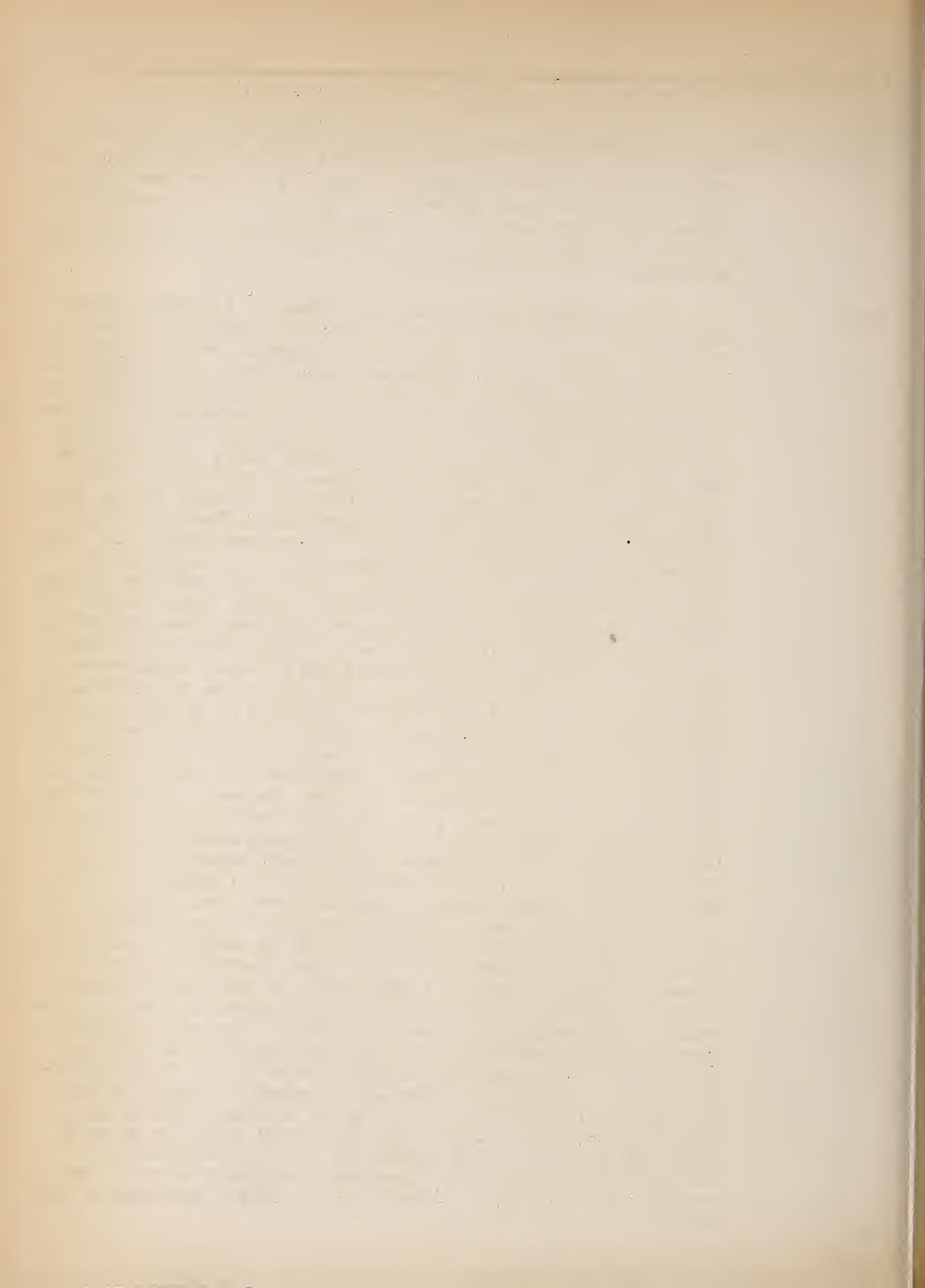
Section 2

Condensed Milk
Abroad

A Seattle dispatch to the press of July 21 states that the first American manufacturer of condensed milk to invade Europe, the Carnation Milk Products Company, of Seattle, has purchased a large butter and cheese plant in France, at Carentan, in the province of Manche, near Cherbourg. It will have an initial capacity of 100,000 pounds of fresh milk daily. This supply will be taken from the established herds in that district.

Fairs

The Horseman for July 16 says: "There is a measure applied quite often in discussion of success that is doubtful as insuring progress. Quite too generally we find financial conditions ruling in the interpretation of advancement, and, indeed, occasionally we find managers clinging to this standard as an absolute recorder of success. If money is made, the fair is highly successful; if money is lost, it is unsuccessful--in their estimation. Now, generally speaking, that standard would be a faithful guide, but there have been fairs of immense success that showed no profit; vice versa, there have been others that showed financial balances that in the truest sense of the word were not successful....There is in this changed viewpoint, accepted by public and managers alike, the most conclusive evidence that progressiveness rules in the field of fairs. The modern fair must prove by its features that it is successful--not alone by a treasury balance, but by giving to the community which it is expected to serve the educational advantages which will advance agriculture, make men better farmers and women better farmers' wives. Entertainment can not--and should not--be kept out of its plan, for that is a function it has to present, and giving entertainment of a legitimate character is an aid to achievement of its foremost function, instead of a detractive force. But what about the fair that puts forth energetic efforts for greater exhibits, with strict attention to advancement in every legitimate way, and then fails of financial success? Is such a fair successful? In the broadest sense, we would say that any fair organization that can point proudly to a better citizenship which it has helped to bring about, more progressive agricultural methods and better stock farming, is in reality successful, even if nothing has accrued in the treasury through a term of years. For, while it would be folly for a fair body to neglect attention to its finances, yet the fact that it has gathered no money in the course of years is not as important as the fact that it has been a decided benefit to a community....In the practical application of club work to modern fairs the managers have demonstrated progressiveness that is due to bring unusual results as years go by. There is a militant phase, almost, in this presentation of these organizations of boys and girls, which give direct and forceful combat to the cityward movement among the young....We have not proceeded far enough in the work of the clubs to realize near to the eventual fulfillment of this great movement. Though boys' and girls' clubs are in every State, and in almost every county, it is for the next decade or score of years to witness the greatest development of this work, when the boys and girls of to-day will be the men and women of that day."

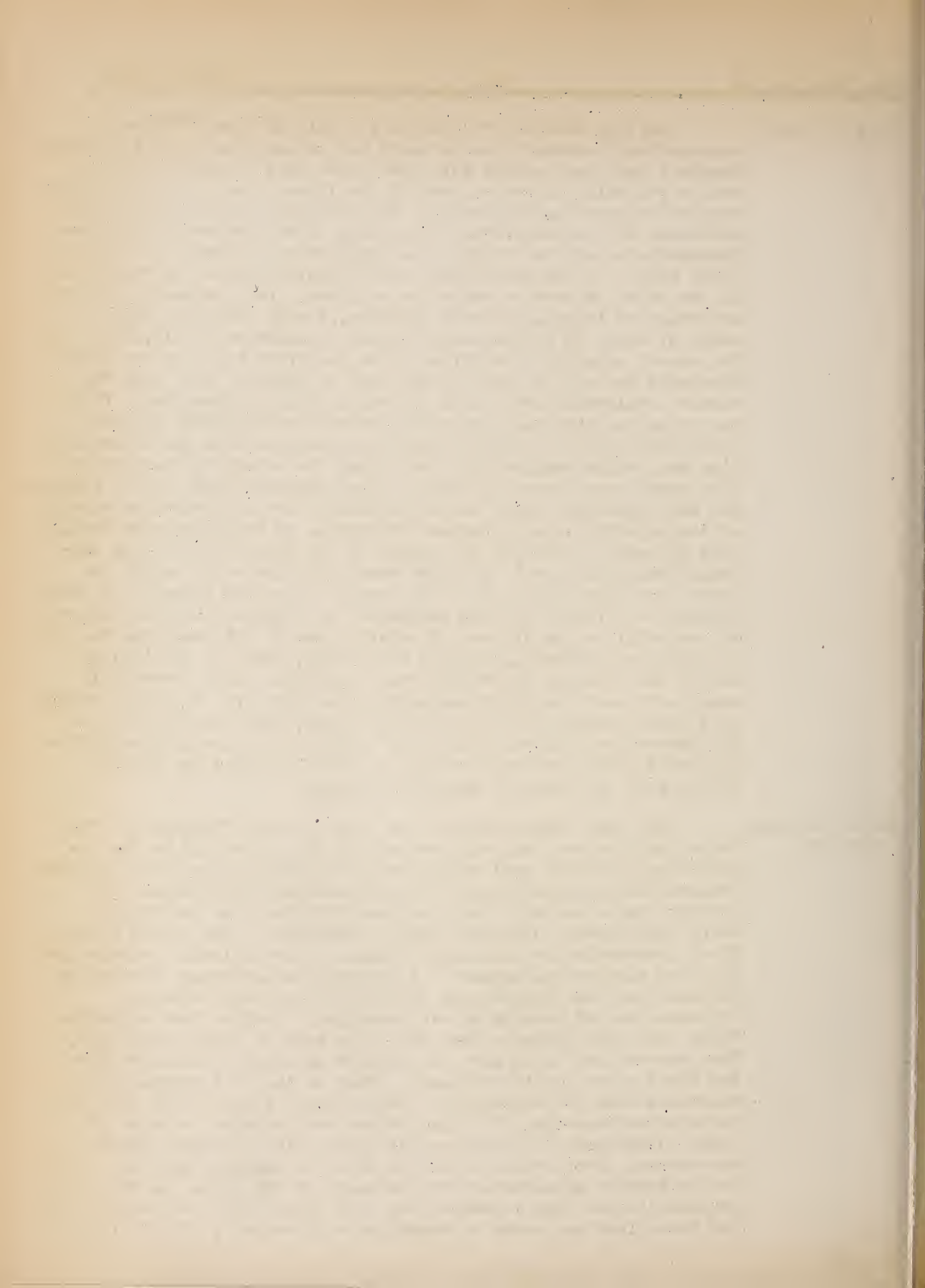


Freight Rates

Chicago Journal of Commerce for July 19 says: "'There is serious doubt whether farmers would not in many instances lose from impaired railroad service more than they could possibly gain from such a reduction in rates, even if the farmers could get the entire benefit of any reduction made.' The foregoing moderately phrased statement is characteristic of the rest of the Interstate Commerce Commission's decision denying the application of Kansas and nine other States of the Mississippi and Missouri Valleys for reductions in the rates of western railroads on grain, grain products and hay. According to the commission's findings, a rate reduction such as asked by these 10 States would produce a reduction of \$17,500,000 in the annual earnings of railroads from the Great Lakes to the Rocky Mountains and as far south as the Gulf of Mexico. Last year the western railroads earned 4.57 per cent, which is more than a fifth less than the 5.75 per cent return which the Interstate Commerce Commission fixed as a fair return in accordance with the Transportation act, which required that in fixing the return the commission give proper consideration 'to the transportation needs of the country and the necessity, under honest, efficient and economical management of the existing transportation facilities, of enlarging such facilities in order to provide the people of the United States with adequate transportation.' A slight rate reduction would not do the farmer any appreciable good. The recent startling increase in grain prices, as a result of crop shortages, is evidence that the farmer's way out will be the old way of industry and of reliance upon the law of supply and demand...Railroad bankruptcy, then, is the logical end of the attempts at drastic rate reduction. Less severe cuts would not result in quick bankruptcy; but they also would not result in a large immediate benefit to the farmer, and, incidentally, as the Interstate Commerce Commission indicates, the reductions probably would impair railroad service to such an extent as to more than offset the farmer's immediate saving."

Grain Marketing
Company

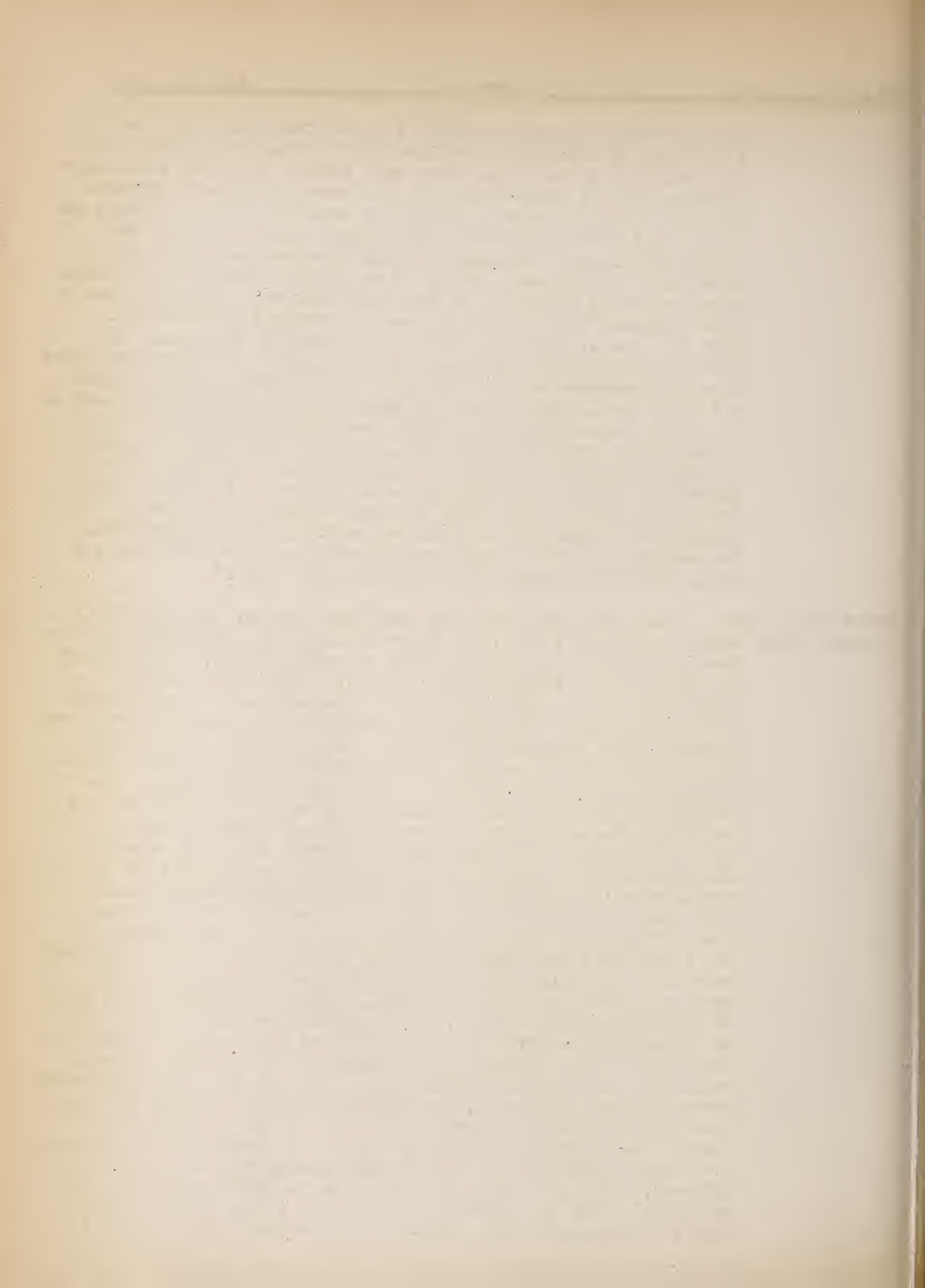
The Wall Street Journal for July 21 says: "A merger of five large grain houses into one corporation is a short cut to the co-operative marketing goal toward which the farmers have been aspiring. Cooperative marketing itself is an interesting experiment. It promises much, but also contains possibilities that are tragic. Everything depends upon the farmers themselves. The United States Steel Corporation is successful because of its splendid organization and good business management. A cooperative marketing association is under the same limitations as that or any other business. Organization and management are essential. Smaller farm organizations have suffered more than once from lack of these essentials. This new venture is to have the benefit of expert management for the first years of its existence. That is the most hopeful fact connected with the enterprise. While there is much to be said for cooperative marketing, its limitations are the same as those of other businesses. It never can dispense with efficient business management. Cooperative marketing is not a panacea, but only a help to the farmers in marketing the products of the farm. In this it is amenable to the same economic laws that other forms of business are, and those laws can never be overridden with success. If the farmers



look for any speculative profits from the business, they are making a mistake. A successful marketing business must be entirely free from anything of the kind. They must realize also that cooperative marketing is not price-fixing or an attempt to withhold products from the market in order to create an unnatural price. Perhaps one of the best sheet anchors to this venture will be found in the banking interests. A venture of this size must become closely identified with finance. There is no sentiment with men who handle money deposited by others in their institutions. When they make a loan they must feel that it is secure, principal and interest. What the late J. P. Morgan said about character illustrates the bankers' standpoint. In making loans they will take into consideration the character of the directors and officials, their policies and their aims. There have been associations and pools that went on the rocks because they were simply pork barrels into which a few high-salaried officials could dip. Bankers will have no business dealings with such. Success or failure of the new venture must ultimately depend upon plain business factors. It is to be hoped the farmers will realize this and also disabuse their minds of any preconceived ideas of extraordinary profits, direct or indirect. The margin of profit in the packing business is the best they can hope, and that is among the smallest in the world."

Grain Prices and Freight Rates

An editorial in The New York Times for July 19 says: "By a narrow majority, 6 to 5, the Interstate Commerce Commission has refused to reduce the railroad rates on grain and hay. The movement to secure such a reduction was powerful. Ten States formally demanded it. It was strongly urged in Congress and was recommended by the President. Very likely it would have succeeded had not conditions in the grain-growing States changed so markedly for the better within recent weeks. It is upon this fact that the commission partly bases its refusal to change the freight rates. The farmers are now receiving so much higher prices that need of help in getting their products to market does not appear so urgent as it was thought to be six months ago. Moreover, it is the opinion of the commission that the railroads could not endure the loss in their revenues--a loss estimated at more than \$17,000,000--consequent upon such a lowering of the rates as was sought. The decision is sound, though the reasons given for it are not beyond challenge. The fundamental question was whether the rates on grain and hay are fair and reasonable, both in themselves and in relation to the charges on other classes of freight. This is recognized in a part of the commission's opinion, but in other parts there seems to be an inclination to dally with the idea that money can be taken from one class in the community to be handed over to another. Such a proposal was, in truth, frankly entertained by one of the dissenting members of the commission, who innocently argued that if the railroads lost too much by cutting the rates for the benefit of the farmer, they could make it up by raising the rates on other shippers. There would plainly be no end if that process were to be adopted and followed, with the result of taking from one man's pocket to fill another's. From the first it was doubtful if the farmers would profit to any appreciable extent by the proposed cut in freight



rates. It is certain that no reduction could have brought about such an advance in prices as, has occurred in recent months. This has been the result neither of legislation nor of manipulation. The rise has occurred without reference to the tariff on wheat or to the charges of the railroads for hauling it. Crop figures, the law of supply and demand, the working of economic forces, have done the business, and have done it more thoroughly and satisfactorily than could possibly have been the case had all been left to tinkers in Congress and experimenters in the Interstate Commerce Commission."

Grain Situation

"Local bankers and business men are watching the grain crop situation closely, and in many quarters a distinctly optimistic feeling is beginning to emerge. If nature does her part from now on a real come-back of business in the West is expected....Decreased production in Canada means that the American surplus will probably be disposed of at good prices. As one observer put it: 'It would not surprise me if the western farmer instead of being the poorest man in the country turned out this fall anyway to be one of the richest.' " (Wall St. Jour., July 21.)

Hog Market

St. Louis Daily Live Stock Reporter for July 18 says: "The advance in the hog market the past few days bringing the general price level to the highest point reached since last October has come as a welcome relief to producers. For some time past the corn market has been shooting skyward while hogs continued in 'the dumps,' selling considerably below the actual cost of production based on corn values. Unless corn slumps swine must continue to advance considerably before they reach a level that will permit of the farmer feeding corn on a profitable basis. We know of swine that have been contracted to be delivered from feedlots in August on a basis of \$10 at the St. Louis market. This would reflect the confidence that some are manifesting in the lowly porker....It is apparent that from the viewpoint of accumulated stocks the trade is in a position to respond to the impetus of curtailed receipts should they materialize as the Government estimates on reduced hog breeding activities would indicate."

Land Reclamation

An editorial in Hoard's Dairyman for July 18 says: "President R. A. Pearson of the Iowa State College comprehends the fallacy of the Government bringing more land under cultivation at the present time.....President Pearson has upon several occasions spoken against the Federal Government's land policy and in a recent address said: 'Let the Government take a vacation in respect to opening up more farm lands with the aid of great, expensive, irrigation enterprises. These developments are costing enormous amounts of money. Let us spend it in better ways to help agriculture. We sometimes boast of the wonderful dams, the largest of their kind in the world, which make possible the development of large areas of productive farm land. These improvements are of great benefit to persons who are engaged in promoting the enterprises and of great benefit to land speculators who sometimes make fortunes in dealing in the new land and raising the prices until the lands are sold at high figures to bona fide farmers who must always carry a large overhead interest

charge on values which have gone into the pockets of shrewd promoters and speculators. And then these farmers with the opportunity which has come to them through the munificence of the Government become competitors in a field that is already well filled if not overcrowded and prices of agricultural products fall accordingly."

Section 3

MARKET QUOTATIONS

Farm Products

July 21: Chicago hog prices closed at \$8.50 for the top and \$7.80 to \$8.30 for the bulk; medium and good beef steers \$7.50 to \$10.35; butcher cows and heifers \$3.75 to \$9.65; feeder steers \$4.75 to \$8.50; light and medium weight veal calves \$8.50 to \$10.75; fat lambs \$11.75 to \$14.25; feeding lambs \$10.50 to \$12.25; yearlings \$9 to \$12; fat ewes steady at \$3.25 to \$6.50.

Eastern Shore of Virginia Irish Cobbler potatoes, closed at \$1.75 to \$2.75 per bbl. in leading markets; \$1.75 to \$1.90 f.o.b. Norfolk stock mostly \$1.50 to \$2.25. Georgia peaches generally weaker. Hileys and Belles sold at 75¢ to \$1.50 per bu. basket and six basket carrier in city markets; 85¢ f.o.b. Cantaloupes steady to firm. Imperial Valley Salmon Tints, standards 45's, mostly \$2.50 to \$3.25. Pink Meats \$1 to \$1.25 per flat crate of 12 to 15 melons. Watermelon markets dull and weak. Georgia and South Carolina Tom Watsons, 22-30 lb. average, ranged from \$1.00 to \$2.50 bulk per car in city markets.

Closing prices, 92 score butter: New York 39 1/2¢; Chicago 37¢; Philadelphia 40 1/2¢; Boston 39 1/2¢.

Closing prices at Wisconsin primary markets July 19: Cheddars 17 1/4¢; Daisies 18¢; Longhorns 18¢; Square Prints 18 3/4¢.

Average price of Middling spot cotton in 10 designated spot markets advanced 93 points, closing at 30.02¢ per lb.; New York July future contracts advanced 88 points, closing at 32.38¢.

Grain prices quoted July 21: No.1 dark northern spring Minneapolis \$1.33 to \$1.53. No.2 hard winter Chicago \$1.29 to \$1.38; Kansas City \$1.17 to \$1.25; St. Louis \$1.27 1/2. No.2 red winter Chicago \$1.29 1/2 to \$1.30; St. Louis \$1.42 to \$1.44; Kansas City \$1.30 to \$1.33. No.2 yellow corn Chicago \$1.10 1/2 to \$1.11; Minneapolis \$1.04 1/2 to \$1.05 1/2. No.3 yellow corn St. Louis \$1.10 1/2 to \$1.11; Kansas City \$1.07; Minneapolis \$1.03 1/2 to \$1.04. No.3 white St. Louis \$1.11 to \$1.11 1/2; Kansas City \$1 to \$1.05. No.3 white oats Chicago 52 1/4 to 52 3/4¢; St. Louis 55 1/2¢ to 56¢; Kansas City 55¢; Minneapolis 48 1/2 to 49 1/2¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	July 21,	July 19,	July 21, 1923
	20 Industrials	99.22	98.09	91.39
	20 R.R. stocks	89.15	88.69	80.75

(Wall St. Jour., July 22.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XIV, no. 19

Section 1

July 23, 1924.

Grain Marketing

Company Gets Offer

A Chicago dispatch to the press to-day states that the offer of the northwestern grain interests of marketing facilities contiguous to the Minneapolis and Duluth trading centers was submitted without comment or recommendation July 22 to the board of directors of the recently organized grain sales corporation by O. E. Bradfute, president of the American Farm Bureau Federation. While the proposal was submitted to the tentative board of the new corporation, it was understood that no action was taken. It appeared that there was almost unanimous agreement that the tentative board was without power or authority to give formal consideration to the matter, inasmuch as a new and permanent board probably will be selected by this tentative board in consultation with principals concerned in the offer of Chicago and Kansas City grain houses.

Commission Ends

The press to-day states that the Pittsburgh Plus steel case "Pittsburgh Plus" was July 22 decided against the United States Steel Corporation by the Federal Trade Commission, which issued an order directing that corporation and its subsidiaries to abandon the "cost plus system," which is declared to have been an unfair method of competition in violation of the Federal Trade Commission act. The Commission also held that the Pittsburgh Plus system involved price discrimination in violation of the Clayton act. The press states that the decision, one of the most important ever made by the commission, is expected by members of that body to effect radical changes in the steel industry if the orders stand. It ends an investigation and hotly contested hearings in several cities.

Packers' Decree

The Washington Post to-day states that Attorney General Stone has given instructions that any efforts to modify the consent decree taken in the Wilson administration against the "Big Five" Chicago packers should be "vigorously resisted." The Department of Justice has observed indications, it was indicated, that counsel for some of the packing companies planned an "onslaught" on the consent decree entered in the District Supreme Court by which the packing business was divorced from all other lines of effort in which the packers were engaged. With this knowledge, Mr. Stone immediately ordered his subordinates to be prepared to fight "and to hold on to the ground gained," unless the court reverses the Government's contention.

Canada's Wheat Crop

An Ottawa dispatch to the press to-day says: "Alarmists have been overdoing it in their reports on the Western Canada wheat crop. The talk that the prospects are the worst for seventy years is nonsense. Stories to this effect are nothing but the propaganda of gamblers. It is true that Western Canada will not have as much wheat as in 1913."

Section 2

Agriculture

An editorial on "The Great Change in Agriculture," in The Washington Post for July 21 says: ".....Thus, with nature and the Government coming to the rescue, and with the farmers manifesting greater energy and ability in organizing for mutual effort, the prospects of American agriculture were never brighter. A profound change, in fact, is taking place which will affect not only farmers but the entire public. With scientific principles applied to the production and distribution of farm products, the price of food-stuffs will be reduced. This reduction will not be at the expense of the producer--quite the contrary--and yet the ultimate consumer will pay less for his necessities. By bringing the producer and consumer together, by distributing products in such manner as to avoid both undersupply and oversupply at any point, by standardizing all products, and by eliminating the overhead charges now exacted by multitudinous middlemen, the cooperative marketing system will improve the quality of foodstuffs, insure a steady supply everywhere, and reduce the cost to the minimum. The political effects of this great change in agriculture may appear as early as next November. Indeed, in some quarters it is already asserted that the Presidential hopes based upon discontent among the farmers are now blasted. This may be somewhat premature, inasmuch as American agriculture is a colossal industry which can not be transformed in the twinkling of an eye. But the effects of better prices for grain are already felt and have done much to improve the temper of the farming element. As the months pass, the safe and sane measures taken by the Harding and Coolidge administrations to improve agricultural conditions will be more fully realized, and farmers will perceive that their own cooperation is the only remaining factor needed to complete the reform of their great industry."

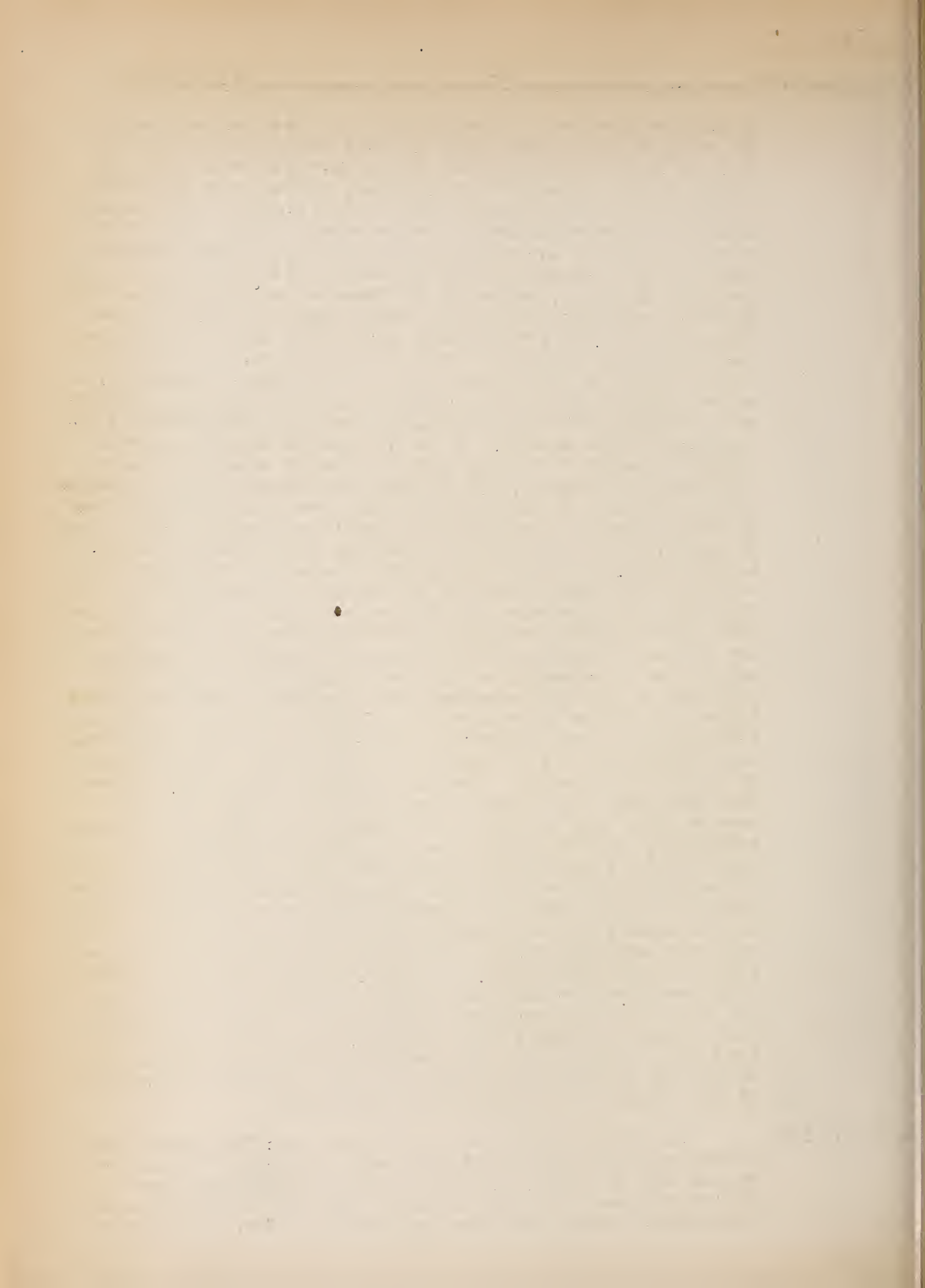
Agriculture in
Britain

The (British) Journal of the Ministry of Agriculture for July says: "The Agricultural Tribunal consisting of Professor W. G. S. Adams, Sir William Ashley and Professor D. H. MacGregor, with Mr. C. S. Orwin as Agricultural Assessor, and Mr. D. B. Toye as Secretary, has issued its final report. The terms of reference to the tribunal were as follows: 'To inquire into the methods which have been adopted in other countries during the last fifty years to increase the prosperity of agriculture and to secure the fullest possible use of the land for the production of food and the employment of labor at a living wage, and to advise as to the methods by which those results can be achieved in this country.' Interim reports were issued on 29th March, 1923, and 10th November, 1923, respectively. The final report comprises two separate reports, the one by Professor Adams and Sir William Ashley, and the other by Professor MacGregor....The report by Professor Adams and Sir William Ashley, in comparing British with foreign agriculture, draws attention to the remarkable decline which has taken place in this country in the last fifty years in cereal crops and in roots. In foreign countries there has been on the whole an increase in the arable areas; at least it has been maintained. With regard to employment in agriculture, there has been a relative decline in agricultural employment in all countries and in Great Britain the

absolute decline has been greater than in other European countries. The wages of agricultural labor in Great Britain were before the War, and still are, higher than in most European countries. The members of the tribunal do not consider, however, that the better position of the agricultural worker in this country is any argument against the re-establishment of wages boards; in fact they state that it is only by increasing the wages of agricultural laborers and improving their housing conditions that it will be possible to stop the rural migration, whether to the towns or to the colonies. They therefore recommend that district wages committees should be instituted on the lines recommended in the first interim report, and that consideration should be given to the possibility of making special grants in aid of the housing of agricultural workers....The report observes that nothing stands out more markedly in a comparison of British and foreign agriculture than the backwardness of co-operation in this country. It is true that in distant countries relying on export to foreign markets a special incentive is upon the farmer to cooperate, but this will not account for the backwardness of England. It recommends that the Government should continue to provide funds for propaganda in aid of cooperation. With respect to credit, it is suggested that farm loan boards should be established, enjoying defined autonomy up to prescribed financial limits and that these boards should be the authority responsible for assistance to cooperative societies within their district. The report states that the tribunal are satisfied that the time has come for a fresh and large effort to be made to extend small holdings, and Professor Macgregor, in his report, indicates a scheme which might now be put into operation. Other recommendations cover agricultural education and research (for which it is suggested that more funds should be made available), cooperative insurance, administrative organization and the councils of agriculture, and experiments in arable stock farming. Finally, the Adams-Ashley report observes that under free trade Great Britain can only maintain its arable area by going over to arable stock farming, and this, under present conditions, English farmers have no pecuniary inducement to do, as they can make farming pay by laying down their land to grass. It is recommended, therefore, that the Government should undertake experiments on a large scale to demonstrate whether arable stock farming in this country can be a financial success. The report by Professor MacGregor observes that there is no ground for depreciation of British agriculture as a whole, in view especially of the great development of our manufactures. British agriculture does not suffer by an international comparison of existing efficiencies with respect to either (a) the actual produce of the soil, or (b) the level of wages paid. The fundamental difference between British and foreign agriculture is not the efficiency but the size of this industry in relation to all industries"

Butter Tariff

The Journal of Commerce for July 19 says: "The Tariff Commission recently ordered an inquiry on an application for an increased duty on butter. As New York City alone consumed over 210,000,000 pounds of butter in 1923, while only 13,000,000 pounds were imported during the first four months of 1924, it is hard to



understand why western farmers or cooperative creamery associations are so worried. With improved European exchanges and an increase in European buying demand as currencies are stabilized and put on a gold basis the slight artificial stimulus which has been given to exports of butter to this country will soon disappear entirely. Surely a duty of 8c per pound ought to be sufficient to satisfy the dairy interests."

Grain Marketing .

Daily Pantagraph (Bloomington, Ills.) for July 17 says:

Company

"Announcement of a gigantic grain corporation involving millions of dollars, for the purpose of cooperative marketing of grain on a vast scale, is something of interest to the farmers of the country such as have been few enterprises announced in recent years. This interest is enhanced by statements that the farmers themselves, through their own national organizations, are to have a part in this huge grain concern. In some quarters it might be heralded that at last the solution of the problem of marketing had been solved so far as the grain producers are concerned. However, the project by its very size and involved technique has aroused some questionings on the part of the farmers, for whom it was said to be designed. In the first place, it is questioned why five of the greatest corporations of the country, which have heretofore been fighting the cooperative grain marketing organizations of the country, should all at once become willing to take the farmer into their combination and apparently work for his sole benefit. Then, again, the question arises whether or not the proposed new corporation in taking over the properties may not be taking on a vast storage capacity for which they will have no use, if the future efficiency of the marketing system is developed the way the farmers hope it may be and thus creating an overhead charge out of all proportion to the needs of the business under the new regime. It is understood that the national farmers' organizations have given only tentative approval of the big scheme, and will await development of the details before they hitch up to it for good and all. It is to be expected that the organization of farmers will make no move of this magnitude without first receiving competent legal advice of the most unquestioned standard, for otherwise the last state of the farmers may be worse than the first so far as the marketing conditions are concerned. There are possibilities of great good in the scheme, according to those who have studied it superficially. If the element of human greed and business 'sharpness' can be eliminated from the deal, then perhaps it may be the forerunner of a new day of marketing conditions for the farmers."

Grain Money

A Kansas City, Mo., dispatch to the press of July 22 states that bank deposits there have been increasing as wheat money begins to pour in. Loans and discounts are decreasing, but not in the same proportion as deposits are mounting. One national bank reports deposits increased \$700,000 last week and loans of \$65,000. David S. Page, Topeka, Kans., miller and cattle broker, declares the mills of his State should soon be back on the basis of four or five years ago, with the abundant supply of excellent milling wheat in the State this year. However, millers are afraid of buying corn at the present prices with Kansas in line for the biggest yields



per acre in the history of the State.

An Omaha dispatch states that business in the Middle West has shown a sudden and most encouraging spirit in the last two or three weeks, according to officials of three of Omaha's biggest jobbing houses. By means of large sales forces that cover Nebraska and adjoining States, these houses are able to keep in close touch with current tendencies. The increase in orders is attributed largely to better prices for grain and other farm products.

Grain Rates

The Journal of Commerce for July 19 says: "The Interstate Commerce Commission has rendered an unequivocal decision against the representatives of the Western States who filed complaints with that body for the purpose of forcing rate reductions on grain, grain products and hay....The assumption that the farmer always pays the freight bill and hence has the advantage of all freight reductions is a fallacy hard to down, but it is, notwithstanding, decidedly fallacious. Elaborate statistical studies show that freight charges are generally an insignificant percentage of prices paid to the farmer for his products, while it is also true that changes in freight rates bear no demonstrably close relationship to changing agricultural prices which, in the case of grain especially, vary with varying conditions in the world markets. It does not, of course, follow that changes in freight rates have no effect upon prices paid to farmers remote from central markets, but The Journal of Commerce has frequently pointed out that the artificial encouragement to the extension of agriculture given by unduly low freight rates is more likely to penalize the farmer than to help him by causing production to expand faster than consumptive needs can grow. The commission has not ventured to go so far, but at least it has more than hinted that given unfavorable market conditions, the farmers' gain from lower freight rates is quite likely to be absorbed by someone else. The decision happily comes at a time when rising prices for grain will cause the commission's opinion to be received with less hostility in agricultural districts. It is not, however, in any sense an opportunistic decision, for it enunciates principles that hold both for good times and for bad. It augurs well for an era of reasonableness in rate-making."

Wheat Shortage

H. E. Anderson says in The Annalist for July 21: "The world will have at least 300,000,000 bushels less wheat to eat in the forthcoming 12 months than it consumed in the 12 preceding. The burden of economizing in the consumption of bread and other wheat products will fall chiefly on Europe and the Orient. The United States produces more wheat than it needs. But the higher prices which the shortage has already begun to produce will fall alike on consumers here and abroad, and the profits will go to the growers of grain in the exporting countries of the world, among them our western farmers who had been hard hit by the extreme low prices of the last few years. In the last few weeks they have seen the price of wheat mount to more than \$1.30 a bushel. It had fallen as low as 96 cents after the Government relinquished control. Talk of two-dollar wheat may be heard in some sections much as one-dollar wheat was once a general farming slogan. Data are lacking on which to base an intelligent forecast of the probable limits of the present price rise. This much may, however, probably be said safely: the



top price has not been reached and this limit will depend primarily on the outcome of the crop in the Southern Hemisphere which has just been planted. An average crop there can not prevent a further rise in the price of wheat while failure which in the past has occurred about once in 10 years, would go far toward causing a realization of our farmers' hopes....."

Section 3 MARKET QUOTATIONS

Farm Products

July 22: ~~July 22~~ Chicago Livestock prices: Hogs, top, \$8.85; bulk of sales \$8.20 to \$8.65; medium and good beef steers \$7.50 to \$10.65; butcher cows and heifers \$3.75 to \$9.85; feeder steers \$4.75 to \$8.50; light and medium weight veal calves \$8.50 to \$10.75; fat lambs \$11.50 to \$14; feeding lambs \$10.50 to \$12.25; yearlings \$8.75 to \$11.75 and fat ewes \$3.25 to \$6.50.

Eastern Shore of Virginia Irish Cobbler potatoes \$1.75-\$2.50 per barrel in leading markets; \$1.75 f.o.b. Onley, Virginia; Maryland stock \$2-\$2.50. Kentucky Irish Cobblers \$1.35-\$1.55 sacked per 100 pounds in Cincinnati. Georgia peaches, Hileys and Belles, sold at \$1-\$1.75 per bushel basket and six basket carrier in city markets; 75¢-90¢ f.o.b. Imperial Valley cantaloupes, Salmon Tints, standards 45's ranges \$2.75-\$3.50. Arizona Salmon Tints \$3-\$3.75. Georgia and South Carolina Tom Watson Watermelons 22-30 pounds average \$150-\$250, bulk per car in leading markets; 24-30 pound average \$75-\$100 at shipping point. Delaware and Maryland Early Varieties of apples medium sizes mostly \$1.50-\$1.75 per bushel basket in eastern cities.

Grain prices quoted July 22: No.1 dark northern spring Minneapolis \$1.30-\$1.51 1/2, No.2 hard winter Chicago \$1.27 3/4. No.2 hard winter Kansas City \$1.16-\$1.26; St. Louis \$1.25-\$1.27. No.2 red winter Kansas City \$1.32-\$1.34; St. Louis \$1.39-\$1.42. No.2 yellow corn Chicago \$1.07 1/2-\$1.10; Minneapolis \$1.02 1/4-\$1.03 1/4; No.3 yellow corn St. Louis \$1.08-\$1.09; Kansas City \$1.05; Minneapolis \$1.00 1/4-\$1.01 1/4. No.3 white corn St. Louis \$1.09 1/2-\$1.10 1/2; Kansas City \$1.03 No.3 white oats Chicago 51 1/2-53 cents; Kansas City 55 cents; Minneapolis 47 1/4-48 1/4 cents.

Average price of Middling spot cotton in 10 designated spot markets declined 16 points, closing at 29.86¢ per lb. New York July future contracts advanced 57 points, closing at 32.95¢.
(Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	July 22,	July 21,	July 21, 1923
	20 Industrials	99.36	99.02	91.39
	20 R.R. stocks	89.37	89.15	80.75

(Wall St. Jour., July 23.)

DAILY DIGEST

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Vol. XIV, no. 20

Section 1

July 24, 1924.

Farm Prices

Under the title "The Farmers' Gain in a Day," The Philadelphia Ledger to-day presents the following: "Wheat--A price increase of 7 cents on the Chicago Board of Trade yesterday, on reports of black rust menace in Canada, marked a new high price, adding an estimated increased value for the day to the wheat crop of \$56,000,000. Corn--Followed wheat for a 3-cent increase or an estimated total of \$75,000,000; Rye--Up 4 cents; oats, up 2 cents, or an estimated gain of \$27,000,000. Cotton--On adverse crop reports and high temperatures rose \$8 a bale on the New York market, making a gain in the value of the year's crop of approximately \$100,000,000. Hogs--Made a 50-cent increase for the day, \$1 in three days \$2 in three weeks--a record in that time."

Sisal Trust

According to the press to-day, a complaint alleging that an illegal combination exists to control the importation of Mexican sisal into the United States, and asking for a decree prohibiting the carrying out of certain illegal agreements in restraint of interstate commerce was filed in the New York Federal court yesterday by United States District Attorney Hayward by direction of Attorney General Stone.

Cotton Payments

A Raleigh, N.C., dispatch to the press to-day says: "The North Carolina Cotton Growers' Cooperative Association has begun distribution of the final payment on the 1923 cotton crop. Three million dollars will go out to members, and it is expected that the distribution will be completed by August 1. This anticipates the date of the final settlement last year for the previous year's crop by more than ten weeks. As a result of following the program established for the year's work, members of the association will receive a good average price."

Interallied Conference

A London dispatch to the press to-day says: "The conference now is at a critical point and the events of to-day or tomorrow are likely to determine whether it will be successful or abortive. An unsatisfactory feature of the situation is the spirit displayed in Berlin, where, according to cable advices, the determination of the British and American bankers to obtain adequate security for a loan are criticized impertinently. The Times, in commenting on the conference situation, says: 'The situation of Europe is such that if the Dawes report is not applied at once and as a whole, any rational direction of events will become impossible, and the forces of economic and political disorder will be finally released from control.' "

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Section 2

Agricultural
Product Prices

The Journal of Commerce for July 19 says: "Estimates that the farmers of this country have profited or will profit to the extent of \$1,000,000,000 by the recent increases in the prices of sundry agricultural products are current. These are intended no doubt as merely rough approximations of the actual situation, as all such figures must of course be. But even so it would appear that some of our statisticians have overlooked some rather important facts in this connection. Growers of wheat in this country are without doubt substantially benefited by the turn the situation has taken. The crop damage that is responsible for the rise in wheat prices took place for the most part outside of our borders. Not so with corn, however. The farmer must get a much higher price for each bushel of corn he produces if he is to be fully recompensed for the smallness of the output he now bids fair to realize. And let it not be forgotten that most of the corn of this country is marketed in the form of pork, lard, beef and other similar products and that there is little indication at the present moment that the latter classes of goods are going to bring anything like the prices relatively that corn in a technical sense probably will command. It is of no little importance that the situation brought about by recent developments in the grain markets be correctly appraised. Talk of miraculous gains to farmers growing out of these changes will not help a great deal. Let us be a little more discriminating."

Agricultural
Situation and
Politics

The Journal of Commerce for July 23 says: "Not the least among these larger questions is the existing agricultural situation. That the state of things in rural districts is recognized as one of the leading 'issues' of the day is made clear enough by even a casual perusal of the platform pronouncements of the leading political groups. All of them give prominent place to the plight of the farmer, and all of them seek earnestly, if by doubtful expedients, to win favor in agricultural districts. Higher grain prices may afford a measure of relief to those who, having had an opportunity to help the farmer out of his difficulties, failed of accomplishment, but essentially the situation of the farmer in this country remains about what it has been for a good while past. When sufficient time has elapsed for the effects of temporary developments to wear themselves out the troubles of the agricultural producer will return in very nearly all their old time force to plague the politicians."

Bread and Wheat
Prices

The Washington Farmer for July 17 says: "Here is a puzzling inconsistency that the wheat grower can not understand. No more can the consumer understand it: The Federal Trade Commission, in a recent report from Washington, finds that the big 1922 slump in wheat prices brought less than a 2 per cent decrease in the price of bread! The same authority finds that, while from January, 1919, to September, 1922, wheat prices in the Northwest declined 55 per cent, flour prices declined only 33 per cent. But that disproportion did not exist in the Southwest, where wheat prices declined 50 per cent and flour prices 43 per cent. Why this difference between the relation of wheat and flour prices in the Northwest and

the Southwest? A Spokane banker said the other day that it looked as if the small country mill is doomed; that it can not stand up against the competition of the big mills at the milling centers. He said that many of the small mills of the Inland Empire have closed down or been bought up and merged with the bigger mills. That condition, as shown by the report of the Federal Trade Commission, is general throughout the United States."

Coffee Shortage

The Philadelphia Ledger of July 23 says: "With the supply of coffee daily becoming more limited and the afloat stocks not growing since July 19, local coffee dealers expect an acute shortage within the next few weeks unless conditions in Brazil change immediately. At the same time there is a feeling that the situation may right itself, one factor intimating that the revolutionary element in the southern ports had never actually depleted stocks. It is estimated that the entire country has only enough coffee supply for six weeks' consumption.....The situation in New Orleans, according to a special dispatch, is acute."

Cotton

Theo. H. Price says in Commerce and Finance for July 23: "Never before in my experience has the supply of raw cotton been so near complete exhaustion and never before has the market for cotton goods been so dull. How can this paradox be explained, for all paradoxes are explicable despite the dictionary which defines a paradox as 'something true apparently impossible.' I have spent not a little time and effort in trying to find the reason for the inconsistency between the goods market and the cotton market. I find that although America has increased the per capita consumption of nearly all the other great staples during the last twenty years the per capita consumption of cotton shows no growth. It was 29¹ pounds per capita in 1903. It was 29 pounds per capita in 1923. There was a slight increase during the war, but it was due to the demand for military purposes, and as soon as the Government stopped buying the consumption fell back again. The economists agree that within the same 20 years our national income has more than tripled as a result of the increased earning power of the people, and with this increased earning power there has come an increased buying power which has led to a gain of 140 per cent in our per capita consumption of natural silk and a growth that will probably average 50 per cent in the per capita of many other quasi luxuries such as sugar, candy, coffee, ice cream, tobacco and even snuff. Meanwhile we have become acquainted with artificial silk, of which we used about 40,000,000 pounds in 1923 as against practically none in 1903, and meanwhile also many new uses have been found for cotton cloth, including particularly its use when leatherized as a substitute for leather. This brief summary of the facts seems to indicate that less cotton is being used for clothing and especially for women's clothing....The cotton manufacturers are naturally asking whether cotton goods will ever recover their popularity. The question is a very important one, for if it be answered in the negative then it is plain that we have too many spindles in the United States, and they will be an unproductive investment until the country grows up to them and the natural gain in population provides a market for their product...Great Britain has, I believe,

about 57,000,000 spindles. We have only 37,000,000 in the United States, and yet we consume nearly twice as much raw cotton as the British use. The reason is that our production consists chiefly of heavy coarse goods that have become unsuited to the more exacting taste of our women."

Cotton Outlook

The Wall Street Journal for July 23 says: "As of July 16 the official report on the cotton crop forecasts a crop of 11,934,000 bales. As this is the first of the official mid-month reports no comparison can be made with former years. However, there is the official forecast as of June 25, which predicted a crop of 12,144,000 bales. Putting these two together it looks as if the market is facing another short crop in spite of the largest acreage ever planted. There is some skepticism expressed concerning this last report, showing such marked deterioration since June 25. But it is in accord with the life history of cotton....The cotton market can not be in a safe and sound position until it is assured of a 13,000,000-bale crop. There is not even a remote chance of anything of that kind this year, and no more than half a chance that even the official estimate will be picked."

Cream Grading

An editorial in Butter, Cheese, and Egg Journal for July 16 says: "We wish to call especial attention to some of the recommendations that followed a dairy survey in Oregon, a State that has gone into this business of systematic dairying in a very earnest and thorough manner in later months. One of the recommendations is for 'An adequate system of cream grading, rigidly enforced by law.'... It is felt very certain that it would be much better if we could have systems for grading cream in force without calling upon the law. An industry progresses more rapidly when it does its own policing. Wise men always have found it a better idea to beat the law-makers to it when it comes to setting down practices that ought to be established or discontinued. This serves to show, however, that we are going to have cream grading established in this country regardless of how many of us there may be who don't want it. This being the case, it behooves the dairy industry itself to put the thing over. The dairy industry can do it, and so--why not!...."

Food Prices

The Journal of Commerce for July 21 says: "Dun's Review reports that for the first time in 20 weeks the list of wholesale quotations shows an excess of advances. It is added that the increases are largely confined to the foodstuffs group. In other lines price recovery seems to have gone hand in hand with reduction in manufacturing activity. This is as it should be. Too many of the post-war price readjustments were of an erratic character. Following heavy general reductions, subsequent recovery did not succeed in restoring agricultural products to their relative price status as compared with other groups of commodities. It has long been evident that agricultural dissatisfaction would not be allayed until there had been a readjustment of food prices to those of other groups of commodities. It is to be hoped that the advances now being registered will not only hold but will not be later offset by corresponding increases in the prices of the goods which the farmer must buy."



Forestry Instruc- The Field (London) for July 10 states that a proposal, first
tion in Britain discussed by the British Empire Forestry Conference in 1920, to
establish a central institution for forestry training and research,
will take definite form in October this year, with the starting at
Oxford of the Imperial Forestry Institute. The institute will be
a university institution, the Professor of Forestry being its di-
rector. It will be under the control of a board of governors,
representing the university and Government departments concerned,
under the chairmanship of Lord Clinton. The educational work of
the institute will comprise post-graduate training of probationers
for the forest services and of other qualified persons; the train-
ing of research officers in special subjects; and the provision of
courses for selected officers already serving. It is intended
that the institute should maintain close touch with and be of
assistance to the various forestry training centers throughout the
Empire. The subjects dealt with will cover the whole range of
forestry.

Grain Rates

Providence Journal for July 21 says: "The decision of the
Interstate Commerce Commission that grain rates will not be
lowered at this time is the more significant because it was arrived
at not simply after listening to arguments of attorneys represent-
ing the conflicting interests, but rather following an exhaustive
investigation of all the facts by the commission itself. While
the victory for the carriers in this case is hailed in some
quarters as a decisive one, it is not nearly as decisive as it
ought to have been. The commission was divided six to five, despite
the fact that the chief issue at stake was whether the rates should
be reduced to the grain raisers with the inevitable consequence
that either the carriers would lose money or the railroads would
charge off the losses incurred by boosting the cost of transporta-
tion to other patrons of their lines. It will be a sorry day in
American economic history when the Interstate Commerce Commission,
or any other group of officials, establishes the principle of
making one industry, whether it is a railroad, a cotton mill or a
cheese factory, absorb the losses of some other industry temporari-
ly experiencing reverses. When one contemplates the fact that the
Interstate Commerce Commission came within a single vote of adopt-
ing this policy, the decision is not so impressive as it appears to
be. It shows rather that the commission is almost evenly divided
and that future cases of this kind will be watched with apprehen-
sion by those who regard the legitimately earned revenues of one
industry as incontrovertibly immune from attempted seizure by
another industry."

Sugar Tariff

The Journal of Commerce for July 22 says: "As the time ap-
proaches when the Tariff Commission will have completed its investi-
gations of costs of production in the sugar industries here and in
Cuba it becomes clearer that (1) the whole method of procedure has
shown itself to be a hopeless farce and (2) that a political prob-
lem of no little delicacy is thus to be presented to the President.
According to reiterated and apparently perfectly reliable current
reports it is by no means difficult to arrive at two wholly con-
tradictory conclusions with regard to the indicated action on sugar

duties under the existing law. In fact, it is said that the commission itself is badly divided on the question, although the facts in the case are not disputed."

Section 3

MARKET QUOTATIONS

Farm Products

July 23: Chicago hog prices closed at \$9.35 for the top and \$8.40 to \$9 for the bulk. Medium and good beef steers \$7.50 to \$10.75; butcher cows and heifers \$3.75 to \$9.85; feeder steers \$4.75 to \$8.50; light and medium weight veal calves \$8. to \$10.50; fat lambs \$11 to \$13.50; feeding lambs \$10.50 to \$12.25; yearlings \$8.25 to \$11.25; fat ewes \$3.25 to \$6.50.

Eastern Shore of Virginia Irish Cobbler potatoes 50¢-75¢ lower at \$1.75-\$2.50 per barrel leading eastern markets, \$1.75 f.o.b. Onley, Virginia; Maryland stock \$1.85-\$2.50. Peach markets irregular, weaker in New York, firm in Middle West; Georgia Elbertas \$1.25-\$2.00 per six-basket carrier and bushel basket city markets, \$1.-\$1.25 f.o.b. California cantaloupes, Salmon Tints, 50¢-\$1 higher in New York and Philadelphia, steady in other leading markets at \$2.75-\$3.50 per standard crate of 45 melons, top of \$4 in New York. Watermelons unsettled; Georgia and South Carolina Tom Watsons, 22-30 pound average, \$125-250 bulk per car city wholesale markets, tops of \$350 and \$425 in New York and Chicago; \$115-225 f.o.b. Macon.

Closing prices on 92 score butter were: New York 39¢; Chicago 37 1/4¢; Philadelphia 40 1/2¢; Boston 39 1/2¢. Closing prices at Wisconsin primary cheese markets July 22: Flats 17 3/4¢; Single Daisies 18 1/4¢; Double Daisies 18¢; Longhorns 18 3/4¢; Square Prints 19¢.

Grain prices quoted July 23: No. 1 dark northern spring Minneapolis \$1.36-\$1.57. No. 2 hard winter Chicago \$1.27 3/4-\$1.29 1/4; Kansas City \$1.15 1/2-\$1.23 1/2; St. Louis \$1.27-\$1.30. No. 2 red winter St. Louis \$1.40-\$1.42; Kansas City \$1.34. No. 2 yellow corn Chicago \$1.09 1/4-\$1.10 3/4; Minneapolis \$1.06 1/4-\$1.07 1/4. No. 3 yellow corn St. Louis \$1.10; Kansas City \$1.06-\$1.07; Minneapolis \$1.04 1/4-\$1.05 1/4. No. 3 white corn St. Louis \$1.10-\$1.11; Kansas City \$1.04-\$1.07. No. 3 white oats Chicago 53 1/2 cents; Kansas City 53 1/2 cents; St. Louis 55 1/2 cents; Minneapolis 48 7/8-49 7/8 cents.

Average price of Middling spot cotton in 10 designated spot markets advanced 119 points, closing at 31.05¢ per lb. New York July future contracts advanced 184 points, closing at 34.79¢.

(Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price			July 23, 1923	
				July 23,	July 24,
				1923	1924
	20 Industrials	99.40	99.36	91.58	
	20 R.R. stocks	89.60	89.37	79.98	

(Wall St. Jour., July 24.)

